



# स्टेट फोकस पेपर State Focus Paper 2026-2027



Himachal Pradesh State  
Himachal Pradesh Regional Office, Shimla

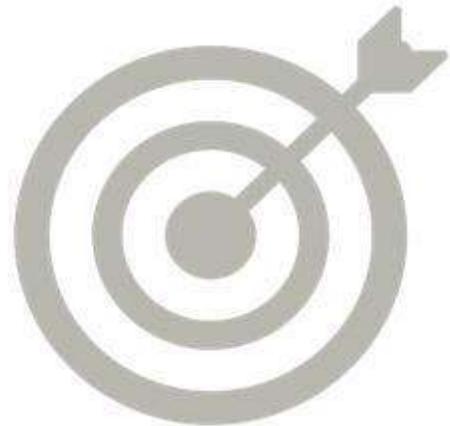


## **VISION**

Development Bank of the Nation for  
Fostering Rural Prosperity.



## **MISSION**



Promote sustainable and equitable agriculture and rural development through participative financial and non-financial interventions, innovations, technology and institutional development for securing prosperity.

# **State Focus Paper**

**Year: 2026-27**

**State: Himachal Pradesh**



**National Bank for Agriculture and  
Rural Development**

**Himachal Pradesh Regional Office,  
Shimla**





**State Focus Paper (SFP) Document prepared and finalized by:**

**NABARD, Himachal Pradesh Regional Office, Shimla**

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**SANJAY GUPTA**  
**I.A.S.**  
Chief Secretary



State Focus Paper 2026-27

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## संदेश



मुझे प्रसन्नता है कि राष्ट्रीय कृषि और ग्रामीण विकास बैंक (नाबार्ड), हिमाचल प्रदेश क्षेत्रीय कार्यालय, शिमला ने स्टेट फोकस पेपर 2026-27 तैयार किया है, जिसमें राज्य के प्राथमिकता क्षेत्र के लिए ₹45,809.93 करोड़ की ऋण क्षमता का अनुमान प्रस्तुत किया गया है। यह बढ़ी हुई क्षमता राज्य में कृषि, उससे संबंधित गतिविधियों, ग्रामीण अवसंरचना तथा आजीविका सृजन के बढ़ाते अवसरों को दर्शाती है।

हिमाचल प्रदेश सरकार लचीली कृषि, बागवानी विविधीकरण, जलविद्युत एवं नवीकरणीय ऊर्जा विस्तार, पर्यटन-आधारित ग्रामीण उद्यम, तथा डिजिटल एवं भौतिक सम्पर्कता को सृदृढ़ करने के लिए प्रतिबद्ध है। राजीव गांधी किसान न्याय योजना, पंचायत स्तर पर डिजिटल प्रशासन सुधार, जलवायु सहिष्णु कृषि कार्यक्रम, नवीकरणीय ऊर्जा बढ़ावा तथा पैक्स उन्नत जैसी प्रमुख पहलुओं ने सभी वर्गों के लिए समावेशी ग्रामीण विकास का मजबूत आधार तैयार किया है।

बैंक और वित्तीय संस्थान किसानों, महिला समूहों, ग्रामीण युवाओं एवं सूक्ष्म उद्यमियों को पर्याप्त एवं समयबद्ध ऋण उपलब्ध कराकर इन प्रयासों के महत्वपूर्ण साझेदार है। नाबार्ड द्वारा तैयार स्टेट फोकस पेपर राज्य के विभिन्न क्षेत्रों की ऋण आवश्यकताओं का विस्तृत आकलन प्रस्तुत करता है और इसके प्रक्षेपण ग्रामीण क्षेत्रों में पूंजी निर्माण को दिशा प्रदान करेंगे।

मुझे विश्वास है कि सभी हितधारकों के सक्रिय सहयोग से स्टेट पेपर में दर्शाई गई ऋण क्षमता वर्ष 2026-27 में वास्तविक संवितरण के रूप में रूपांतरित होगी। इससे न केवल राज्य के ऋण-जमा अनुपात में सुधार होगा, बल्कि ग्रामीण क्षेत्रों में आय-सृजन एवं समृद्धि को भी बढ़ावा मिलेगा।

शुभकामनाओं सहित ।

  
(संजय गुप्ता)



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## Message



I am pleased that the National Bank for Agriculture and Rural Development (NABARD), Himachal Pradesh Regional Office, Shimla, has prepared the State Focus Paper 2026-27, projecting a credit potential of **₹45,809.93 crore** for the priority sector in the State. This upward revision reflects the growing opportunities in agriculture, allied activities, and rural infrastructure, as well as the State Government's continued emphasis on strengthening rural livelihoods.

The Government of Himachal Pradesh is committed to promoting resilient agriculture, horticulture diversification, hydropower and renewable energy expansion, tourism-linked rural enterprises, and improved digital and physical connectivity. Flagship initiatives such as Rajiv Gandhi Kisan Nyay Yojana, Panchayat-level digital governance reforms, climate-resilient agriculture programmes, renewable energy push, and the strengthening of Primary Agricultural Credit Societies (PACS) are creating an enabling environment for inclusive rural growth.

Banks and financial institutions play a vital role in complementing these initiatives by ensuring adequate and timely credit flow to farmers, women's groups, rural youth, and micro-entrepreneurs. The State Focus Paper prepared by NABARD provides a comprehensive assessment of sectoral credit needs, and its projections will serve as a roadmap for channelising credit towards productive investments in both farm and non-farm sectors.

I am confident that with the collective efforts of banks, development agencies, and all stakeholders, the projected credit potential for 2026-27 will translate into actual disbursements. This will further strengthen the State's & district level Credit-Deposit Ratio and enhance income generation opportunities in rural areas.

My best wishes.

  
(Sanjay Gupta)

## Foreword



The State Focus Paper is the consolidated outcome of Potential Linked Credit Plans (PLPs) prepared for all districts, bringing together sectoral potentials and projections into a comprehensive document for the State. These projections serve as a foundation for the preparation of Annual Credit Plans (ACP) at district level by Lead Banks and the SLBC at State level, guiding credit flow to priority sectors and supporting inclusive growth.

It gives me great pleasure to present the State Focus Paper for 2026-27, which estimates a credit potential of ₹45,809.93 crore for priority sector activities, marking an increase of 8.44% over last year's projection of ₹42,244 crore. This growth reflects the expanding opportunities in MSMEs, agriculture and allied sectors and underscores the need for coordinated efforts by all stakeholders to meet the State's developmental aspirations.

The document incorporates policy thrusts of the Government of India and the State Government, including initiatives such as Kisan Credit Card (KCC) coverage for farmers and livestock rearers, promotion of food processing through PMFME, entrepreneurship through Mudra, promotion of collectivisation through Farmer Producer Organisations (FPOs), and infrastructure through Agriculture Infrastructure Fund (AIF). Special emphasis has been placed on PACS computerization & CBS upgradation, a transformative step towards modernizing cooperative credit structures and improving their service delivery.

The United Nations has declared 2026 as the International Year of the Woman Farmer (IYWF 2026), recognizing the vital role women play across agrifood systems. NABARD reaffirms its commitment to gender-inclusive development by promoting initiatives such as SHG-BLP, JLG financing, artisans and women-led OFPO, aligning with the global call for action to address gender gaps and improve women's livelihoods for women.

It is expected that this document will assist the State Government in framing targeted policies and prioritizing budgetary allocations for 2026-27. It will also serve as a reference guide for channelizing credit to sectors critical for sustainable and inclusive growth, including dairy, poultry, horticulture, MSMEs, renewable energy, and eco-tourism.

I extend my sincere appreciation to the Government of Himachal Pradesh, Reserve Bank of India, SLBC, LDMs, bankers, KVKs, NGOs, State Agricultural Universities, and progressive farmers and entrepreneurs for their valuable contributions to this exercise.

With collective efforts from all stakeholders, I am confident that the State Focus Paper 2026-27 will act as a catalyst for policy formulation and investment decisions, facilitating enhanced credit flow and fostering socio-economic development in Himachal Pradesh.



Dr. Vivek Pathania  
Chief General Manager  
15 January 2026



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## Executive Summary

### 1. Introduction

- State Focus Paper (SFP) 2026-27 for Himachal Pradesh is the outcome of NABARD's participative credit planning exercise through district-wise PLPs, in consultation with Government departments, banks and other stakeholders.
- It identifies bankable potential under Priority Sector, critical infrastructure gaps and policy/implementation actions to accelerate credit absorption and rural development outcomes leading to achievement of this bankable potential.
- The total Priority Sector credit potential for FY 2026-27 is assessed at ₹45,809.94 crore, implying ~8.44% growth over FY 2025-26.
- Agriculture & allied sector assessed potential is ₹18,194.90 crore (39.7% share) while MSME potential is ₹23,827.72 crore (52.0% share), reflecting the state's enterprise-led growth trajectory.
- The SFP is intended to guide Annual Credit Plan formulation, RIDF/other infra prioritisation, and convergence between banks and Government programmes.

### 2. State Profile – Physical Characteristics

- Himachal Pradesh is a Himalayan state (55,673 sq. km; 12 districts) with altitudes spanning ~350–6,500 m and diverse agro-climatic zones ranging from sub-tropical low hills to temperate high hills.
- The state's rugged terrain, snowbound areas and landslide-prone corridors make connectivity and service delivery costly; climate variability (erratic rainfall/snowfall) heightens risks for agriculture and infrastructure.
- Normal annual rainfall is about 1245 mm; recent variability is evident (e.g., actual ~979 mm in one of the recent years, and lower rainfall in another year) which impacts crop planning, soil moisture and disaster risk.
- Net sown area is ₹5.26 lakh ha with high cropping intensity, indicating scope for productivity gains through improved irrigation, quality inputs, mechanisation and resilient agronomy.
- Two international border districts and significant tribal geography necessitate targeted interventions for remote blocks (Chamba, Lahaul & Spiti, Kinnaur) to ensure inclusive credit access.
- Major rivers (Sutlej, Beas, Ravi, Chenab, Yamuna) are originating/flowing through the State.

### 3. Economic Activities of the State

- Himachal Pradesh's economy is driven by services and industry, with agriculture contributing a smaller but livelihood-critical share; tourism, hydropower, pharmaceuticals, cement and horticulture are key anchors.
- According to the Advance Estimates (AE), the Gross State Domestic Product (GSDP) at current prices for the Financial Year (FY) 2024-25 is estimated to be ₹2,32,185 crore, as against ₹2,10,662 crore in the FY2023-24, exhibiting an impressive growth rate of 10.2 percent for the FY2024-25 as against 9.9 per cent for FY2023-24.
- Agriculture is high-value and climate-sensitive (apple, stone fruits, vegetables, floriculture); scope exists for diversification (medicinal plants, organic/natural farming), value addition and export-oriented supply chains.

### 4. Banking Sector in the State

- Himachal Pradesh has a strong banking network with 2,366 branches, including 1,794 in rural areas and 572 in semi urban and urban centres. This gives the State one of the best branch population ratios in the country—about one branch per 2,919 people, compared with the national average of roughly 11,000 people per branch. To extend services to remote and inaccessible villages where opening physical branches is not feasible, banks operate through 11,537 Bank Mitras, ensuring last mile delivery of basic financial services. The responsibility for leading banking operations across districts is shared among Punjab National Bank, UCO Bank, and State Bank of India, with UCO Bank also functioning as the convener of the State Level Bankers' Committee (SLBC).
- As of March 2025, deposits were about ₹2,02,617 crore and advances about ₹81,870.32 crore, CD ratio stood at 40.4%, with several districts below 40%, requiring DLCC-led monitorable action plans.
- Priority Sector advances outstanding as of March 2025 were about ₹47,538 crore (58.06% of total advances). of which, MSME lending was robust (₹22,429 crore) while agriculture advances (₹13,848 crore) need closer monitoring to meet the 18% norm.
- Commercial Banks: 25 Banks; ~1464 branches
- Regional Rural Bank: HPGB: ~274 branches
- Co-operative Banks: HPStCB (263), DCCBs(250), SCARDB (51), PACS network across ~2207 societies

### 5. Sectoral trends in Credit flow to Agriculture and Priority Sectors

#### 5.1 Factors Facilitating GLC

Himachal Pradesh benefits from high banking density and a strong institutional network, with 2,366 bank branches ensuring deep financial outreach across the State.

Support to the agricultural sector is further strengthened through interest subvention benefits under KCC, dairy/pashudhan, farm mechanisation, and horticulture schemes, while NABARD facilitates enhanced credit flow through refinance along with targeted interventions like promotion of FPOs and JLGs. Rural credit absorption has improved due to widespread PMJDY coverage, an expanding BC network, rising DBT inflows, and Aadhaar enabled payment systems, complemented by NRLM linked SHGs generating steady microcredit demand. Additionally, the State's high literacy levels (99%), diversified household income streams, and remittances-supported cash flows have collectively strengthened overall repayment capacity.

## **5.2 Factors inhibiting GLC**

Credit demand in Himachal Pradesh has remained subdued due to multiple structural and climatic factors. The heavy rains, flash floods, and cloudbursts during the monsoon have severely affected large parts of the State's agricultural area, reducing farmers' capacity and willingness to seek fresh credit. Fragmented and small landholdings further constrain offtake under KCC, as credit limits cannot be enhanced beyond the Scale of Finance linked to operational land size. Demand for term loans is also limited, given the low marketable surplus, inadequate marketing options, scarcity of bankable projects for post harvest infrastructure such as cold storages and warehouses, and the inherently low potential for farm mechanisation, land development, and related activities in the hilly terrain. Together, these factors continue to restrict the overall growth of agricultural credit in the State.

## **6. Credit Potential Assessment for 2026-27**

Priority Sector Lending (PSL) is crucial for inclusive growth in Himachal Pradesh, given its dependence on agriculture, horticulture, and MSMEs. NABARD's State Focus Paper 2026-27 projects PSL credit potential of ₹45,809 crore, with 40% earmarked for agriculture and allied activities. Sectoral distribution shows agriculture at ₹18194.90 crore, MSMEs at ₹23827.72 crore, and other sectors (housing, education, renewable energy, export credit, social infrastructure and others) at ₹2343.26 crore.

### **6.1 Agriculture- Crop Production, Maintenance & Marketing**

For FY 2026 27, the SFP assesses ₹12,487.88 crore as the credit potential for crop production in Himachal Pradesh. The state's agriculture continues to be horticulture driven, with apples & vegetables dominating value output. As per the Economic Survey 2024 25, total foodgrain production stood at 7.5 lakh MT, while fruit production reached 9.2 lakh MT, reflecting a sustained shift towards high value crops. Despite this progress, significant yield gaps persist due to fragmented landholdings, senile orchard, low levels of irrigation & mechanisation and increasing climate related stress.

### **6.2 Water Resources**

For FY 2026 27, NABARD's SFP projects ₹220.53 crore as the credit potential for water resource development in Himachal Pradesh. The state has an estimated 24,000 MW of

hydropower potential, of which 11,290 MW has been harnessed so far. Power reliability is being strengthened through RDSS, the Vibrant Village Programme and smart metering initiatives, helping reduce losses and improve efficiency. However, irrigation coverage remains low at 19.36% of the net sown area (Economic Survey 2024 25), highlighting the need for expanded minor irrigation, flow irrigation, lift irrigation and water harvesting interventions.

### **6.3 Farm Mechanization**

The Economic Survey 2024 25 underscores productivity gaps and the need for terrain compatible machinery, while NABARD's sectoral assessment identifies CHCs, drones, precision tools, and post harvest mechanization as key focus areas. Under NABARD's SFP 2026 27, credit potential for mechanization is estimated at around ₹326.78 crore, with banks encouraged to scale up term lending and integrate loans with service delivery models.

### **6.4 Plantation & Horticulture and Sericulture**

For FY 2026 27, the SFP projects ₹839.72 crore as the credit potential for plantation and horticulture in Himachal Pradesh. The state's diverse agro climatic zones strongly favour horticultural development—temperate belts (Shimla, Kinnaur, Lahaul Spiti) support apples, pears and cherries; mid hills (Solan, Sirmaur, Mandi) sustain vegetables, ginger and turmeric; while lower belts (Kangra, Una, Bilaspur) are suited to citrus, mango, litchi and sericulture. As per the Economic Survey 2024 25, fruit output was 9.2 lakh MT, vegetables 17.8 lakh MT, and plantation crops such as tea around 0.8 million kg. Productivity gaps remain due to fragmented holdings, climate stress, inadequate cold chain facilities and low mechanisation. Key schemes include SHIVA, MIDH and the Mukhya Mantri Swavalamban Yojana supporting youth enterprises, while sericulture is being promoted in Kangra and Bilaspur through mulberry plantations and rearing units.

### **6.5 Forestry and Waste land development**

For FY 2026 27, NABARD's SFP projects ₹193.08 crore as the credit potential for forestry, wasteland development, agroforestry and NTFP based activities in Himachal Pradesh. Forests cover nearly 66% of the state's geographical area (Economic Survey 2024 25), making them crucial for ecology, livelihoods and climate resilience. Key challenges include degraded forest patches, encroachment, low productivity of wastelands and limited credit flow for plantation and allied activities. Constraints stem from weak convergence between forest and rural credit systems, inadequate processing units and poor market linkages. Opportunities lie in agroforestry, bamboo, medicinal plants, NTFPs, carbon trading and ecotourism, supported by infrastructure such as nurseries, processing centres and community managed plantations. Priority actions include expanding afforestation under CAMPA, incentivising agroforestry, integrating PACS/FPOs for wasteland utilisation, enhancing term lending for plantations, supporting SHGs in NTFP value chains and aligning credit with climate resilient forestry initiatives.

## 6.6 Animal Husbandry

For FY 2026 27, NABARD's SFP projects ₹1,297.54 crore as the credit potential for the dairy and allied sectors in Himachal Pradesh. Milk production has increased from 11.39 lakh tonnes in 2012 13 to 17.50 lakh tonnes in 2024 25 (est.), registering a CAGR of 3.6%. Cow milk accounts for 71%, buffalo 26%, and goat milk 3% of total output. Per capita milk availability has risen from 455 g/day in 2012 13 to 698 g/day in 2024 25, well above the national average of 427 g/day. Despite steady growth, per animal productivity remains below national levels, constrained by a ~30% fodder deficit and gaps in veterinary and breeding infrastructure. Government initiatives such as the Rashtriya Gokul Mission, National Livestock Mission and MMSY support breed improvement and youth enterprises, while expanded KCC coverage enables access to feed, medicines and small assets. Key action points include strengthening fodder banks, upgrading AI and veterinary services, promoting FPO led dairy enterprises and boosting term lending for modern dairy units.

## 6.7 Fisheries

For FY 2026 27, NABARD's SFP projects ₹51 crore as the credit potential for aquaculture and allied activities in Himachal Pradesh. The downstream stretches of the Beas, Satluj and Ravi rivers support valuable cold water species such as Schizothorax, Golden Mahseer and Trout. Major reservoirs—Gobind Sagar, Pong, Chamera and Ranjeet Sagar—sustain economically important fisheries and provide direct livelihoods to about 6,310 fishermen (Economic Survey 2024 25). By December 2024, cumulative fish production stood at 12,637.12 MT valued at ₹197.10 crore, while 13.56 tonnes of trout from state farms generated ₹138.66 lakh in revenue. Strengthening reservoir fisheries, expanding trout farming, improving hatchery and feed infrastructure, and enhancing market linkages remain key opportunities for sectoral growth.

## 6.8 Farm Credit – Others

For FY 2026 27, NABARD's SFP projects ₹1,276.57 crore as the credit potential under the "Others" category, covering mobility and farm support infrastructure beyond crop loans. This includes rural transport, storage structures, pack houses and small agri assets that ease market access, reduce drudgery and improve on farm productivity. However, credit flow remains constrained due to low awareness among farmers, banks' reluctance to finance non traditional assets, high insurance costs and weak convergence with government schemes. Strengthening outreach, risk mitigation support and alignment with sectoral programmes will be essential to expand credit uptake in this segment.

## 6.9 Agriculture Infrastructure

For FY 2026 27, NABARD's SFP projects ₹680.44 crore as the credit potential for agricultural infrastructure in Himachal Pradesh. This segment covers investments in rural godowns, cold chain facilities, pack houses, primary processing units, grading/sorting lines, community irrigation assets, and value chain infrastructure that strengthen farm to market linkages. Agricultural infrastructure remains critical in the

state due to scattered production zones, high post harvest losses, terrain related logistics constraints, and insufficient decentralised storage. Expanding rural pack houses, village level collection centres, cold rooms, micro irrigation infrastructure, and FPO managed aggregation hubs can significantly improve price realisation and reduce wastage. Greater convergence with AIF, MIDH, APEDA, and state horticulture missions will help scale infrastructure investments.

### **6.10 Agri. Ancillary Activities**

The Agri Clinics and Agri Business Centres (ACABC) scheme promotes self employment for agri graduates by supporting ventures in extension, input supply and agri services. Custom Hiring Centres (CHCs) play a crucial role in providing farm machinery to small and marginal farmers, reducing drudgery and improving operational efficiency. Banks also extend loans to PACS/LAMPS/FSS for developing storage, input distribution and other rural infrastructure, and to MFIs for on lending to SHGs and small farmers, thereby strengthening last mile credit delivery in agriculture.

### **6.11 Agri. Ancillary Activities – Others**

Banks in Himachal Pradesh provide rehabilitation loans to distressed borrowers to help prepay non institutional lenders and reduce dependence on moneylenders. Under PMJDY, over 2.1 million accounts have been opened, enabling access to overdraft, insurance and DBT benefits. The HP, SC/ST Development Corporation operates targeted schemes such as Swarojgar Yojna (loans up to ₹50,000 for self employment), Him Swablamban Yojna (loans above ₹50,000 with NSFDC/NSTFDC support) and Ambedkar Laghu Rin Yojna (term loans up to ₹50,000 for poor SC families). Banks also extend credit to SHGs and JLGs, which remain vital channels for collective credit delivery in rural areas.

### **6.12 Micro, Small and Medium Enterprises (MSME)**

For FY 2026 27, NABARD's SFP projects ₹23,827.72 crore credit potential for MSMEs. MSMEs are crucial to India's growth, supporting entrepreneurship, employment and regional balance. They are classified on investment–turnover criteria: micro ( ₹2.5 crore investment, ₹10 crore turnover), small ( ₹25 crore, ₹100 crore) and medium ( ₹125 crore, ₹500 crore). This structure enables scaling while retaining benefits such as market and export support, procurement preference and schemes like MSE CDP, PMEGP and SFURTI. Udyam Registration, launched in July 2020, streamlined self declared online registration; Himachal Pradesh had 3,22,860 registered units as of 10 Dec 2025 (77.30% micro). Constraints include weak marketing, raw material gaps and limited cluster–industry linkages. Suggested measures include developing urban/semi urban haats, leveraging tourism to promote local crafts and linking skilled artisans to bank credit.

### **6.13 Export Credit**

For FY 2026 27, NABARD's SFP projects ₹16.31 crore for export credit. Himachal Pradesh has strong export credit potential, supported by a GSDP of about ₹2.32 lakh

crore in 2024-25. Merchandise exports stand near ₹19,200 crore and are targeted to reach ~₹50,000 crore by FY 2027 under the State Export Policy. The state ranked 1st among Himalayan states in NITI Aayog's Export Preparedness Index 2022, indicating a conducive export ecosystem. Pharmaceuticals—largely from the 650 unit Baddi Barotiwala Nalagarh cluster, account for 60–62% of total exports, followed by textiles and engineering goods, Exim Bank pegs export potential at US\$ 3.5–5 billion by FY 2027. Export credit can support working capital, technology upgrades and logistics for pharma, high value horticulture (apples and vegetables through HPMC and cold chain systems) and infrastructure such as ICD Baddi. Tourism, contributing ~7% of GSDP, also offers credit opportunities for hotels, homestays, transport and niche circuits.

#### **6.14 Education**

For FY 2026 27, the SFP projects ₹410.77 crore as the credit potential for education loans. Education remains central to individual and societal development, and Himachal Pradesh has recorded substantial progress in this sector. Literacy has risen from 31.96% at statehood to 82.80% in 2011 and further to 93.3% (male 94.9%, female 91.7%) during 2019 21 as per NFHS 5. The state has a robust educational network with 11,085 primary, 2,677 middle, 1,728 high, 2,538 senior secondary schools and 148 government degree colleges. Key measures include strengthening a structured credit market for education, leveraging private and institutional resources, and conducting awareness campaigns to improve uptake of education loans.

#### **6.15 Housing**

For FY 2026 27, the SFP projects ₹1,692.49 crore as the credit potential for housing. India's population is expected to touch 1.53 billion by 2030 and 1.67 billion by 2050, with over 600 million people living in urban areas by 2031, resulting in substantial housing demand and a nearly 50% shortage among low income households. In Himachal Pradesh, HIMUDA is developing 938 plots, 1,455 flats and 23 cottages across Dharamshala, Sohala, Chettra and Shimla, in addition to the Jathia Devi township and new townships near Chandigarh. Key measures include prioritizing these geographies with better reporting, shifting from shelter centric lending to a comprehensive habitat approach—covering civic, livelihood and community infrastructure such as anganwadis and health centres—and integrating rural housing needs into Financial Inclusion Plans.

#### **6.16 Infrastructure**

For FY 2026 27, NABARD's SFP projects ₹111.57 crore as the credit potential for social infrastructure in Himachal Pradesh. This segment spans health, education, housing, sanitation and community facilities, which form the backbone of inclusive development in the state. Public investment remains substantial through Samagra Shiksha, Ayushman Bharat, Jal Jeevan Mission, PMAY and state level health and education programmes, complemented by NABARD's RIDF support for rural infrastructure. Banks contribute through education and housing loans, financing of health facilities and other social sector advances, though achievements remain below potential in several segments.

### **6.17 Renewable Energy**

For FY 2026-27, NABARD's SFP projects ₹112.10 crore as the credit potential for renewable energy based activities in Himachal Pradesh. The State is a net exporter of power, with its entire electricity generation sourced from renewables, predominantly hydropower. Himachal Pradesh has harnessed about 10,580 MW out of an estimated 23,500 MW hydropower potential and is now diversifying into solar, small hydro, green hydrogen and green ammonia as part of its vision to become a Green Energy State.

### **6.18 Informal Credit Delivery System**

Informal credit in Himachal Pradesh is mainly delivered through SHG-BLP and JLGs, with steady progress but weaker outreach in tribal areas. NABARD's capacity building, refinance, and e Shakti digitisation support the ecosystem, complemented by State Government programmes under NRLM. Key gaps include repayment issues, low financial literacy, limited bank presence, and weak federations. Strengthening federations, boosting digital literacy, incentivising JLGs, simplifying bank processes, and linking groups with FPOs are essential for improving credit access.

### **6.19 Status of Cooperative in the State**

- Himachal's cooperative sector remains a key rural service backbone. As per NCD portal (Dec 2025), the state has ~5,674 cooperatives, of which ~4,861 are functional; 2,207 PACS are covering almost all Gram Panchayats.
- PACS modernization is advancing under the PACS Computerisation programme (NABARD as implementation partner). In HP, 1,789 PACS have been selected; as of Dec 2025, 1,147 PACS are ERP Go-Live with HOC uploaded for 703 PACS.
- Under MoC initiatives, PACS are being enabled as multipurpose entities (25+ activities), including grain storage, CSC services, PM Kisan Samridhi Kendras, Jan Aushadhi outlets, and last-mile banking via micro-ATMs.
- Key focus for FY 2026-27 is convergence of PACS with agri-inputs, storage and marketing, and strengthening governance, professionalism and technology adoption.
- Strengthening cooperative-based value chains (dairy, fisheries, NTFPs, warehousing) can enhance credit absorption and reduce distress sale.

## **7. Potential for Geographical Indication in the State**

- Himachal Pradesh has significant potential to leverage GI-tagged products to improve farmer/artisan realizations through branding, traceability and market access.
- Key GI products include Kangra Tea, Chamba Rumal, Kangra Painting, Kullu/Kinnauri shawls, Himachali Kala Zeera and Chulli oil, among others.
- Credit can support common facilities, packaging, certification, e-commerce and working capital for producer collectives and artisan clusters.

## 8. Aspirational District & Aspirational Block Programme

- Chamba remains the state's Aspirational District; focus areas include last-mile connectivity, livelihoods, financial inclusion and tribal development through convergence of Central/State schemes.
- SFP highlights targeted interventions such as SHG/JLG strengthening, diversification into poultry/fishery/organic farming and food processing and improving banking outreach in underserved blocks.
- Improving CD ratio from 34.6% and district-level credit absorption will require DLCC/SLBC-driven monitoring.

## 9. NABARD initiatives in the State

### Rural Infrastructure

Under RIDF, NABARD has sanctioned 7,597 projects with cumulative assistance of ₹13,589.77 crore across 31 tranches in Himachal Pradesh. These projects span 39 activities across agriculture, the social sector and rural connectivity, including roads, bridges, irrigation, drinking water, education, animal husbandry, ropeways and emerging EV infrastructure. Under RIDF XXXI, NABARD sanctioned 73 projects amounting to ₹713.87 crore. In rural connectivity, 55 road and bridge projects involving an RIDF loan of ₹512.31 crore were approved to construct 398.04 km of roads and 421.93 metres of bridges. In the irrigation sector, proposals worth ₹104.13 crore were sanctioned, benefiting a command area of 1,811.47 ha. Under the social sector, 8 sewerage and drinking water supply schemes with loan assistance of ₹92.51 crore were approved in FY 2025-26.

### Re-finance Support

NABARD extends Long-Term (LT) Refinance to support a wide range of activities, including rural housing, small road transport operators, land development, minor irrigation, dairy development, self-help groups, farm mechanization, poultry, plantation and horticulture, sheep/goat/piggery rearing, packing and grading houses, and other allied sectors. During FY 2024-25, ₹591 crore was disbursed as long-term (LT) refinance to Himachal Pradesh Gramin Bank and Cooperative Banks, including the State Cooperative Agriculture and Rural Development Bank (SCARDB). In FY 2025-26, ₹757 crore has been disbursed as LT refinance to these institutions as of 15 January 2026. For short-term refinance, Cooperative Banks and Regional Rural Banks (RRBs) availed ₹3,161 crore in FY 2024-25 and ₹2,159 crore as of 15 January 2026, thereby strengthening agricultural credit flow in Himachal Pradesh.

### Farmers Producer Organisations (FPOs)

To strengthen farmer collectives, NABARD has sanctioned a grant of ₹16.24 crore in Himachal Pradesh for the formation and promotion of 125 Farmer Producer Organizations (FPOs) across all 12 districts under the PODF-ID and PRODUCE fund.

These FPOs are engaged in the production, processing, and marketing of fruits, vegetables, medicinal and aromatic plants, milk, and flowers. With a membership base of 27,053 farmers, the FPOs have empowered their communities by ensuring access to quality inputs and improved market linkages. Collectively, they have achieved an impressive ₹23.60 crore turnover, contributing to stronger rural livelihoods and sustainable agricultural growth. Among them, 7 FPOs have been promoted under the “Prakritik Kheti Khushhal Kisan (PK3Y) Yojna in partnership with the Department of Agriculture, promoting sustainable agriculture through natural farming practices. Under the Central Sector Scheme, NABARD serves as one of the implementing agencies for establishing and promoting 10,000 Farmer Producer Organizations (FPOs). In Himachal Pradesh, FPOs are nurtured and supported through Cluster-Based Business Organizations (CBBOs). As part of this effort, NABARD has facilitated the formation of 23 FPOs with a sanctioned grant of ₹ 11.80 crore, covering CBBO costs, FPO management expenses and Equity Grant Assistance. Out of this, an amount of ₹8.06 crore has already been released as on date.

### **Tribal Development through Tribal Resilience Initiative for Building Environmentally Sustainable livelihoods (TRIBES)**

As of now, 15 projects amounting to ₹22.71 crore have been sanctioned under the Tribal Development Fund (TDF) across five districts—Una, Chamba, Kinnaur, Lahaul-Spiti and Bilaspur. Grant assistance of ₹18.39 crore has already been released, benefiting 3,980 tribal households. These projects focus on establishing Wadis (small orchards), dairy units, apple and floriculture nurseries and handloom units in selected villages.

### **Landscape based Regenerative resilient Ecosystem Development Programme (LREDP)**

As on date, NABARD Regional Office has sanctioned a total of 53 watersheds, comprising 1 JIVA project, 22 springshed and 30 watershed, across 10 districts: Solan, Una, Bilaspur, Chamba, Sirmour, Shimla, Mandi, Hamirpur, Kangra, and Kullu in Himachal Pradesh. The total financial support provided by NABARD's Watershed Development Fund is ₹ 3271.04 lakhs, covering 40062.90 hectares of land. Grant assistance of ₹2799.95 lakh has been released as on date and 28906 households are covered.

### **Micro Credit and Financial Inclusion**

NABARD HPRO sanctioned several key interventions including 3,893 financial and digital literacy camps amounting to ₹2.22 crore for various Banks and Financial Institutions (FIs), with a special focus on creating awareness about emerging cyber security threats. NABARD in collaboration with NGOs/JLGPIs also offers an incentive of ₹2,000 per JLG for their formation, nurturing, and credit linkage, to encourage and sustain their development. In this direction, NABARD HP Regional Office in FY 2025-26 sanctioned ₹9.5 lakh for the formation and credit linkage of 475 Joint Liability Groups (JLGs) over a three-year period. As of September 2025, 10,904 Self Help Groups (SHGs) with an outstanding loan of ₹185 crore and 8,311 JLGs with an outstanding loan of ₹64

crore were linked to credit reflecting the growing outreach and impact of these initiatives. Under the Special Incentive Scheme for Hilly States, NABARD sanctioned ₹2.25 crore to five Banks to incentivize the BC/CSP network, thereby strengthening financial inclusion. Banks and FIs have been brought into the fold of the ENGAGE portal, ensuring end-to-end digitalisation of NABARD's grant schemes.

### **Support to Rural Artisans/Weavers**

NABARD has sanctioned grant assistance of ₹ 90.11 lakh for the formation of an Off Farm Producer Organization registered under the name Saroa Handloom Producer Company Ltd. The OFPO's beneficiaries include 503 weavers out of which 90% are women, who are now able to produce a variety of woollen products like Pattu, Shawls, Stoles, and Muflars. Under the project, training of 200 weavers and 60 master trainers has been conducted with NABARD's support. The support helped improve product quality and efficiency, with advanced looms being introduced for efficient production. Additionally, NABARD's backing allowed the purchase of raw materials and provided necessary infrastructure support to the OFPO, which has been instrumental in its growth.

## **10. Major Constraints and Suggested Action Points**

### **AGRICULTURE**

#### **Major Constraints**

- Lack of production and outcome-based incentives in agriculture produce.
- Climate changes are making Agriculture in the State highly vulnerable to extreme weather events: Lack of early warning and forecasting mechanisms for rain, frost, hail and other climate related incidents at tehsil/district level.
- Digital agriculture adoption remains limited due to incomplete data integration, uneven digital access at the grassroots, and low capacity of farmers to effectively use mobile apps and other tech platforms for real-time advisories and scheme benefits.
- Stray & wild animals as also monkey menace is affecting cropping pattern and crop production leading to unviable farming systems.
- Yield gaps under cereal production due to limitations in irrigation, use of climate resilient varieties, lack of awareness of package and practices, etc. is major impediment in generation of farm level marketable surplus.
- Inadequate Logistics and market level linkage affect the profitable disposal of marketable surplus.
- Weak extension mechanism due to inadequate staffing is affecting timely and farm level advisories.
- Absence of accredited warehouse facilities in adequate number / capacity limits marketing credit / NWRs.

- Many of the Agriculture Markets in the State lack basic facilities for grading / sorting, washing and storage to better price realization to farmers.

### **Suggested Action Points**

- Coverage of all eligible farmers under KCC Scheme.
- State policies are now promoting output-based incentives gradually instead of production-based incentives e.g., MSP for naturally produced Turmeric, Wheat and Maize. There is a need to promote output-based incentive for other crops as well.
- Installation of automatic weather observatories at Tehsil/ District level integrated with digital advisory platforms to deliver timely, hyper local alerts will help farmers plan sowing, irrigation, and crop protection more effectively.
- Accelerate integration of land records, crop details, and Farmer IDs to create a Agri stack with a unified digital profile enabling targeted DBT benefits, seamless scheme access, real time advisory support, facilitate easy and affordable credit through State agriculture mobile applications.
- The variations in altitude and climate offer a natural advantage for crop diversification. In the prevailing climatic conditions, mixed farming systems seem to be a practical approach integrating agroforestry, organic farming, off-season vegetables, floriculture, and medicinal & aromatic plants besides fruit crops. It provides a much-needed opportunity for crop diversification and increased employment in the State where the scope of growth in conventional agriculture is limited due to topography coupled with most of the land holdings being held by small and marginal farmers.
- Enhance technical support, training, and certification for natural farming clusters coupled with development of market channels and value chain infrastructure so that areas like Pangi Sub division evolve into replicable models of chemical free agricultural systems in the state.
- Integrating Agriculture with tourism for creating alternate sustainable livelihoods. Keeping in view the twin objective of enhancing the viability of small farms and providing employment to local youth, a model of farm-based tourism can be promoted in hill districts. Promotion of medicinal and aromatic plants with tourism focused on health and rejuvenation is another possible area of intervention.

## **10.2. HORTICULTURE**

### **Major Constraints**

- Farmers continue to face significant losses due to rising temperatures, erratic rainfall & snowfall, reduced chilling hours, leaving a large proportion of orchards and other cultivators exposed to weather related risks.

- The old and senile apple orchards require replacement for increasing productivity of apples.
- Import of apples under reduced tariffs is negating the farmer income and benefits of post-harvest storage.
- Non-availability of certified planting material and very low number of nurseries for supply of quality planting material for horticulture, medicinal and aromatic plants.
- Lack of mechanisation of farming operations in Horticulture crops is another issue which requires focussed attention from State Agricultural Universities (SAUs).
- The planned expansion of Pushp Kranti Yojana has been delayed as the first phase suffered significant disruption during the Covid period, resulting in incomplete infrastructure, stalled activities, and weakened momentum for floriculture development.

### **Suggested Action Points**

- Strengthen research, nursery development, and farmer demonstrations to expand adoption of climate resilient cultivars, enabling farmers to mitigate weather related losses and reduce vulnerability to erratic climatic patterns.
- There is a need to relook and prepare 10-15 years horizon plan into the fruit and vegetable cropping pattern in different agroclimatic zones of the state by factoring in the potential impact of the district wise climate vulnerability.
- Facilitate phased replacement of senile orchards, with emphasis on high density planting systems, quality planting material, low chill varieties promotion and long term credit support for micro irrigation to enhance productivity.
- There is a need for increasing the outreach of procurement centres at major apple production areas. Further, procurement needs to be broad-based to multi agencies for efficient collection and usage.
- Developing/ facilitating low-cost value addition models for fallen and discarded apple at farm level/procurement centre level is also required.

### **10.3. ANIMAL HUSBANDRY**

#### **Major Constraints**

- Climate & ecological vulnerability: High altitude pastoral systems face ecological fragility, climate stress, grazing rights restrictions, and shrinking pastures.
- Shortage of feed and fodder resources is affecting commercialisation in AH sector.
- Rising incidence of cattle abandonment.

- Low procurement network of Milkfed in Chamba, Kangra, Una and Hamirpur districts, milkshed area of Daghwar Milk processing plant.
- Environmental concerns and social anguish w.r.t Broiler farming under contract in low hill area districts.
- Decline population of indigenous breeds: Gaddi sheep/goats, Rampur Bushari, and Chegu breeds
- Absence of geographically spread milk routes are major hindrance to producers to avail benefit of MSP in milk and marketing of available surplus.

### **Suggested Action Points**

- Farm level interventions such Urea molasses treatment of Straw, silage making complete feed blocks, urea- molasses mineral block licks, urea Azolla cultivation, etc. need to be promoted among the farmers.
- Support restoration of grazing / revenue lands through Silvi pasture development using women centric institutional mechanisms.
- Greater emphasis on sorted semen usage for commercial dairy farming.
- Implementation of structured breed conservation programmes through breeding societies/ Department
- Strengthen mobile veterinary units and AI coverage to improve access to breeding and animal health services in remote / pastoral areas.
- Giving 'Industry Status' to poultry will facilitate coverage under Mudra and CGTMSE schemes.
- Private investment in milk processing is required to tap the available surplus, MSP affecting their commercial viability.
- Expansion/ Augmentation of processing capacities of Dutt Nagar plant in view of higher procurements through funding under AHIDF/ RIDF.
- FPO/PACS/DCS with field level testing facilities need to be roped in for strengthening milk procurement mechanism in milkshed area of Daghwar plant.

### **10.4. FORESTRY AND WASTELAND DEVELOPMENT**

#### **Major Constraints**

- Negligible involvement of NGOs/Trusts to facilitate people's participation in agro forestry and wasteland development.
- The minor forest produce suffers from inadequate marketing interventions reducing the profitability and commercial viability of collecting of these forest products.

### **Suggested Action Points**

- Need for developing suitable Agro-forestry Models for Farm/ Social forestry with multipurpose broadleaved trees and shrubs on degraded and wastelands in the respective Agro- climatic zones.

### **10.5. FISHERIES**

#### **Major Constraints**

- Availability of feed and insurance are the major impediments in the expansion of trout farming in the private sector.

#### **Suggested Action Points**

- Sport fishery - Apart from existing angling sites in the streams/ lakes, efforts may be made to identify more areas for sport fisheries in the State with necessary support services.
- Emphasis on the establishment of intensive fish rearing units based on latest technological interventions like Biofloc and Re-circulatory Aquaculture systems.

### **10.6. Water Resources:**

#### **Major Constraints**

- Net irrigation area is 1/3rd of the exploitable potential. Private investment lacking to complement the public investment through bankable models under flow and micro irrigation projects.
- The incentive to farmers for adopting micro – irrigation has been reduced from 85 % earlier to 50 %, thereby affecting its adoption rate.

#### **Suggested Action Points**

- Water losses in open channels under flow irrigation projects reduce the water efficiency and availability. State may consider incentivise & promote HDPE pipes for distribution network in irrigation projects.
- Introduce a top up subsidy through RIDF or State funding to partially offset the reduction of micro irrigation assistance from 85% to 50%, ensuring wider adoption of water efficient systems in horticulture and improving climate resilience.

### **10.7. MSME**

#### **Major Constraints**

- The unemployment rate in the State is very high, particularly among the educated youth pointing towards the need to promote more market-specific skills and education.

- Micro enterprises suffer from lack of technology quality, branding and standardisation, affecting their competitiveness and profitability.
- Lack of adequate requisite raw material is major impediment for setting up of small, medium enterprises in the State.
- Industrial estate host array of industries which limits the benefits of economies of scale, backward integration, market visibility and common facility centres.
- Value chains in agro-based industries are missing for exploiting the local raw material and market.
- Delay in receipt of incentives under Goi and State Govt schemes affecting the financial viability and repayment behaviour of entrepreneurs.

### **Suggested Action Points**

- Organizing handicraft-based activities into clusters, providing design support, branding, concessional and easy access to finance and establishing market linkages.
- DIC may conduct a survey for identification of potential blocks/ areas and barriers for development of the sector. Mapping of location specific activities for cluster development at the block level may be taken up.
- The development and enhancing the soft skills of the entrepreneurs in tourism will be the key driver in promoting this sector.
- Commodity/ Industry specific industrial estates and / value chains can be established for backward and forward integration.

### **11. Thrust areas**

- **Climate-resilient high-value agriculture:** protected cultivation, high-density plantations, quality planting material, precision irrigation and soil health management, weather and disease forecasting advisories
- **Post-harvest infrastructure and value addition:** cold chains, packhouses, grading/sorting, dairy and fruit/vegetable processing, and logistics for market access; value chain integrating forward and backward linkages.
- **Livestock development:** dairy value chain development and strengthening, setting up of fodder banks, improved AI coverage, contract poultry farming through semi and automatic models and promotion of meat based small ruminants with insurance and biosecurity.
- **MSME and tourism-linked enterprises:** cluster development, ODOP value chains, homestays, handicrafts/handloom, and skill upgradation development of hub and spoke model.

- **Renewable energy & green growth:** decentralized solar power production public and private, solar irrigation pumps, pine-based biomass production, EV ecosystem.
- **Sustainable tourism** by facilitating tourist movement to known and uncharted tourist destinations.
- **Skill development** of youth for gainful engagement / accessing and excelling in various employment opportunities.

## 12. Way Forward

- The FY 2026-27 credit potential of ₹45,809.94 crore provides a realistic roadmap for inclusive growth by combining enterprise-led expansion (MSME) with resilient agriculture and allied sectors.
- The agriculture sector employing a huge chunk of manpower has the potential for livelihood generation through diversification into areas such as Horticulture, Aromatic & Medicinal plants, Animal Husbandry, Fisheries, Sericulture, Beekeeping, Mushroom production, etc. Given the diversity in climatic conditions of the State now emphasis should shift towards growing alternate temperate fruits and sub-tropical. Further, livelihood expansion options in the form of food processing units provide a linkage to the MSME sector.
- Agriculture and tourism are the two main drivers for creating sustainable livelihoods, a model of farm-based tourism/ rural tourism can be promoted in hill districts. This will supplement the existing efforts to promote livelihoods in the tourism sector with the help of the expansion of homestays, promotion of adventure sports while respecting the carrying capacities of tourist destinations.
- Value Chain Finance promises to unlock the region's vast agricultural and handicrafts artisanal potential. Amidst diverse terrains and formidable challenges, local farmers/artisans seek capital infusion to modernize the infrastructure required for Agri inputs, technology, logistics and processing.
- The strategic focus now should shift towards fostering the growth of Farmer Producer Organizations (FPOs), Primary Agricultural Cooperative Societies (PACS), and analogous community-based entities to serve as primary collectors and processors of agricultural and horticultural produce Furthermore, our aim is to assist them in forging partnerships for advanced processing and marketing endeavours, encompassing activities such as grading, sorting, certification, Geographical Indication (GI) tagging, and establishing robust traceability systems.

- A comprehensive Land and Resource Planning in view of the pressing challenges posed by climate change is of paramount importance to mitigate the impacts of a changing climate effectively. Furthermore, it enables us to implement adaptive measures that shield communities from extreme weather events and rising temperatures.
- Empowering Youth through Skills and Entrepreneurship Promoting skill development and fostering job opportunities and entrepreneurship among the youth is crucial for rural development. Skilled youth will find gainful employment or embark on entrepreneurial ventures, thereby becoming engines of local economic growth. This not only uplifts their own livelihoods but also creates a ripple effect, generating employment opportunities for others in rural communities.
- Digital Transformation to bridge the gap in empowering rural communities is gaining traction these days. Access to digital technologies enables rural areas to leapfrog traditional development hurdles, offering access to education, healthcare, and market information. The digital transformation, when harnessed thoughtfully in rural development, has the potential to drive positive and sustainable change, closing the gap between rural and urban areas.

## State Map



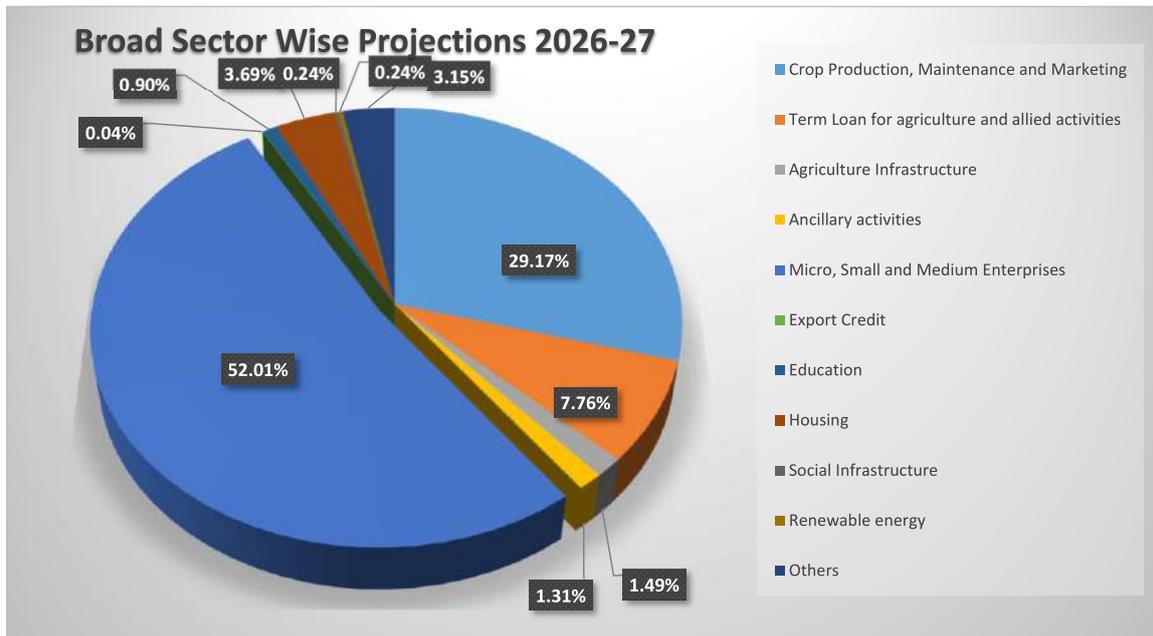
Disclaimer : Administrative boundary data is sourced from SOI and updated using LGD



### Broad Sector-wise SFP Projections for the Year 2026-27

(₹ lakh)

Sr. No.	Particulars	Amount
A	Farm Credit	1691621.53
1	Crop Production, Maintenance and Marketing, and Working Capital Loans for Allied Activities	1336314.1
2	Term Loan for agriculture and allied activities	355307.43
B	Agriculture Infrastructure	68044.04
C	Ancillary activities	59824.5
I	Credit Potential for Agriculture A+B+C)	1819490.07
II	Micro, Small and Medium Enterprises	2382772.2
III	Export Credit	1631.25
IV	Education	41077.6
V	Housing	169249.6
VI	Social Infrastructure	11157.8
VII	Renewable energy	11210.5
VIII	Others	144404.5
	<b>Total Priority Sector</b>	<b>4580993.52</b>



### Summary of Sector/ Sub-sector wise SFP Projections 2026-27

(₹ lakh)

Sr. No.	Particulars	Amount
I	Credit Potential for Agriculture	
A	Farm Credit	
1	Crop Production, Maintenance and Marketing	1248788.88
2	Water Resources	22053.89
3	Farm Mechanisation	32678.98
4	Plantation & Horticulture with Sericulture	83972.34
5	Forestry & Waste Land Development	19308.29
6	Animal Husbandry - Dairy	129754.19
7	Animal Husbandry - Poultry	13907.42
8	Animal Husbandry - Sheep, Goat, Piggery	8415.19
9	Fisheries	5085.01
10	Farm Credit- Others	127657.34
	<b>Sub total</b>	<b>1691621.53</b>
B	Agriculture Infrastructure	
1	Construction of storage	39668
2	Land development, Soil conservation, Wasteland development	22892.27
2	Agriculture Infrastructure - Others	5483.77
	<b>Sub total</b>	<b>68044.04</b>
C	Ancillary activities	
1	Food & Agro. Processing	39275.17
2	Ancillary activities - Others	20549.33
	<b>Sub Total</b>	<b>59824.5</b>
II	Micro, Small and Medium Enterprises	
	<b>Total MSME</b>	<b>2382772.2</b>
III	Export Credit	1631.25
IV	Education	41077.6
V	Housing	169249.6
VI	Social Infrastructure	11157.8
VII	Renewable energy	11210.5
VIII	Others	144404.5
	<b>Total Priority Sector</b>	<b>4580993.52</b>

**State Profile**
**State - Himachal Pradesh**
**1. PHYSICAL & ADMINISTRATIVE FEATURES**

Total Geographical Area (Sq.km)	55673
No. of Sub Divisions	81
No. of Blocks	92
No. of Villages (as per 2011 census)	20690
No. of Panchayats	3615

**3. LAND UTILISATION [Lakh Ha] (Dept. of Agri, GoHP)**

Total Area Reported	45.77
Forest Land	11.23
Area Not Available for Cultivation	3.65
Permanent Pasture and Grazing Land	15.02
Land under Miscellaneous Tree Crops	0.67
Cultivable Wasteland	1.24
Current Fallow	0.78
Other Fallow	0.23
Net Sown Area	5.25
Total or Gross Cropped Area	8.98
Area Cultivated More than Once	3.72
Cropping Intensity [GCA/NSA]	171

**6. WORKERS PROFILE [in '000] (As per Statistical Year Book 2024-25)**

Cultivators	2062
Of the above, Small/Marginal Farmers (Agri Census)	886
Agricultural Labourers	175
Workers engaged in Household Industries	59
Workers engaged in Allied Agro-activities	NA
Other workers	1264

**8. HOUSEHOLDS [in '000]**

Total Households (2011)	1483
Rural Households (2011)	1312
BPL Households (2011)	261

**10. VILLAGE-LEVEL INFRASTRUCTURE [Nos]**

Villages Electrified	17882
Villages having Post Offices (no. of branches)	2795
Villages having Banking Facilities	17882
Villages having Primary Schools	10370
Villages having Primary Health Centres (no. of PHC) (Eco Survey)	576
Villages having Potable Water Supply	17882
Villages connected with Paved Approach Roads	15561

**13. IRRIGATION COVERAGE [Ha] (JSV HP & St. Abs. 2024-25)**

Total Area Available for Irrigation	335000
Irrigation Potential Created	303321
Net Irrigated Area (Total area irrigated at least once) (2024-25)	112637
Area irrigated by Canals/ Channels (2024-25)	3319
Area irrigated by Wells (2024-25)	34099
Area irrigated by Tanks (2024-25)	323
Area irrigated by Other Sources (2024-25)	74896
Irrigation Potential Utilized (Gross Irrigated Area)	303321

**15. AGRO-PROCESSING UNITS**

Type of Processing Activity	No of units
Food (Rice/Flour/Dal/Oil/Tea/Coffee)	171
Sugarcane (Gur/Khandsari/Sugar)	NA
Fruit (Pulp/Juice/Fruit drink)	82
Milk (Chilling/Cooling/Processing)-per day	33
Animal feed (Cattle/Poultry/Fishmeal)	1

**17. ANIMAL POPULATION AS PER CENSUS 2019 [in '000]**

Category of animal	Total
Cattle - Cross breed	1068.93
Cattle - Indigenous	759.08
Buffaloes	646.56
Sheep - Cross breed	72.81
Sheep - Indigenous	718.24
Goat	1108.43
Pig - Cross breed	0.77
Pig - Indigenous	1.71
Horse/Donkey/Camel/Mule	26.12
Poultry - Backyard	314.61
Poultry - Commercial	1027.45

**2. SOIL & CLIMATE**

Agro-climatic Zone	Western Himalayan
Climate	Semi-tropical to Semi-arctic
Soil Type	Mainly alluvial and brown hill soils in outer zone covering low hills, brown forest/humus soils in mid hills and podzolic alpine/humus mountain soils in upper and alpine zones of the state.

**4. RAINFALL & GROUND WATER SCENARIO**

Rainfall [in mm]	Normal	Actual	2023	2024	2025	
		1245		1331.10	979.00	N.A.
No. of Blocks (assessed valley wise)						
Ground Water Scenario	Stage of G.W. Dpt	Safe	Critical	Semi Critical	Over utilised	Total
		37.56%	10	-	-	-

**5. DISTRIBUTION OF LAND HOLDING (Dept. of Agri, GoHP)**

Classification of Holding	Holding (in Lakhs)		Area (in Lakh Ha)	
	Nos.	% to Total	Ha.	% to Total
<= 1 Ha	7.12	71.45	2.86	30.30
>1 to <=2 Ha	1.74	17.45	2.42	25.63
>2 Ha	1.11	11.15	4.16	44.07
Total	9.97	100.00	9.44	100.00

**7. DEMOGRAPHIC PROFILE [in '000]**

Category	Total	Male	Female	Rural	Urban
Population (2011)	6865	3482	3383	6176	689
Scheduled Caste (2011)	1729	876	853	1606	123
Scheduled Tribe (2011)	392	196	196	374	18
Literate (%) (2011)	82.80	89.33	75.93	81.85	91.10
BPL (Households)	261	NA	NA	NA	NA

**9. HOUSEHOLD AMENITIES [Nos. in '000 Households]**

Having brick/stone/concrete houses	NA	Having electricity supply	1430
Having source of drinking water (no. of habitations) Out of 17.09 HH as per ES 2021-22	763	Having independent toilets	NA

**11. INFRASTRUCTURE RELATING TO HEALTH & SANITATION [Nos] (2024-25)**

Anganwadis	18971	Dispensaries	1185
Primary Health Centres	586	Hospitals	149
Primary Health Sub-Centres	2114	Hospital Beds	16699

**12. INFRASTRUCTURE & SUPPORT SERVICES FOR AGRICULTURE**

Seed Farms	NA	Agro Service Centres [Nos]	NA
Fertilizer Outlets	NA	Soil Testing Centres [Nos]	11
Pesticides Outlets	NA	Approved Nurseries	NA
Registered FPOs (Supported by NABARD)	147	Krishi Vigyan Kendras [Nos]	13

**14. INFRASTRUCTURE FOR STORAGE, TRANSPORT & MARKETING [St.Abs. 2024-25 & eudyam.hp.nic.in & Dept. of Agri, GoHP]**

Rural/Urban Mandi/Haat [Nos]	71	Godown [Nos]	117
Length of Road [Total Km]	42779	Godown Capacity[MT]	59863
Length of Railway Line [Km]	242	Cold Storage [Nos]	44
Goods Transport Vehicle [Nos] [St.A2024-25]	17692	Cold Store Capacity[MT]	67900

**16. AREA, PRODUCTION & YIELD OF MAJOR CROPS (Stats HP- 2024-25)**

Crop	2023-24			
	Area(Ha'000)	Prod. (MT'000)	Productivity (kg/ha)	Yield(MT/Ha)
Wheat	314.68	780.07	2479.37	2.48
Maize	254.18	612.75	2410.15	2.41
Rice	66.47	155.34	2338.15	2.34
Barley	17.01	29.86	2338.15	1.76
Pulses	20.92	31.75	1517.90	1.52
Potato	15.00	194.01	12934.00	12.93
Other Vegetables	90.63	1862.58	20554.23	20.55

**18. INFRASTRUCTURE FOR DEVELOPMENT OF ALLIED ACTIVITIES [Nos]**

Veterinary Hospitals/ Dispensaries [Nos]	2297	Animal Markets [Nos]	Nil
Disease Diagnostic Centres [Nos]	2	Milk Collection Centres [Nos]	350
Artificial Insemination Centers [Nos]	2399	Fishermen Societies [Nos]	69
Animal Breeding Farms [Nos]	10	Fish seed farms [Nos]	12
Animal Husbandry Tag Centres [Nos]	2	Fish Markets [Nos]	3
Dairy Cooperative Societies [Nos]	993	Poultry hatcheries [Nos]	2
Improved Fodder Farms [Nos]	0	Slaughter houses [Nos]	80

**19. MILK, FISH, EGG PRODUCTION & THEIR PER CAPITA AVAILABILITY (2023-24)**

Fish	Production [tonnes]	17722	Per cap avail. [kg/p.a.]	2.49
Egg	Production [Lakhs]	217	Per cap avail. [nos/p.a.]	3.16
Milk	Production [000' tonnes]	2166.80	Per cap avail. [kg/year]	315.47
Meat	Production [000 kg]	121	Per cap avail. [kg/p.a]	2.58

Sources: Economic Survey 2024-25, Statistical Data 2024-25, IMD Annual Reports, CGWB Report

**Banking Profile**
**State - Himachal Pradesh**
**1. NETWORK AND OUTREACH (As on 31/03/2025)**

Agency	No. of Banks/Soc.	No. of Branches				No. of non-formal agencies associated			Per Branch Outreach	
		Total	Rural	Semi-urban	Urban	mFIs/mFOs	SHGs/JLGs	BCs/BFs	Villages	Households
Commercial Banks	25	1464	1070	310	84	-	6642	3588	14	1043
Regional Rural Bank	1	274	247	24	3	-	4285	299	76	5412
State Cooperative Bank	1	263	218	33	12	-	1069	-	79	5609
District Central Coop. Bank	2	250	205	45	-	-	1743	-	-	-
Coop. Agr. & Rural Dev. Bank	1	51	44	6	1	-	-	-	406	29078
Primary Agr. Coop. Society	2207	-	-	-	-	-	-	-	-	-
Others	13	64	10	45	9	-	7038	7650	323	23172
<b>All Agencies</b>	<b>2250</b>	<b>2366</b>	<b>1794</b>	<b>463</b>	<b>109</b>	<b>-</b>	<b>20777</b>	<b>11537</b>		

**2. DEPOSITS OUTSTANDING**

Agency	No. of accounts (in lakh)					Amount of Deposit [Rs. crore]				
	31-Mar-23	31-Mar-24	31-Mar-25	Growth(%)	Share(%)	31-Mar-23	31-Mar-24	31-Mar-25	Growth (%)	Share(%)
Commercial Banks	149	171	154	-9.94	19.32	130398.96	143764	154843.65	7.71	76.42
Regional Rural Bank	-	7	7	0.00	0.88	7822.77	8535	9289.34	8.84	4.58
Cooperative Banks	43	44	48	9.09	6.02	29030.59	31123	34246.85	10.04	16.90
Others	203	13	588	4423.08	73.78	3234.18	3584.00	4237.32	18.23	2.09
<b>All Agencies</b>	<b>395</b>	<b>235</b>	<b>797</b>	<b>239.15</b>	<b>100.00</b>	<b>170516.50</b>	<b>187006.00</b>	<b>202617.16</b>	<b>8.35</b>	<b>100.00</b>

**3. LOANS AND ADVANCES OUTSTANDING**

Agency	No. of accounts (in lakh)					Amount of Loan [Rs. crore]				
	31-Mar-23	31-Mar-24	31-Mar-25	Growth(%)	Share(%)	31-Mar-23	31-Mar-24	31-Mar-25	Growth(%)	Share(%)
Commercial Banks	15.4	14.58	14.83	1.71	69.99	43470.72	51685.32	59014.46	14.18	72.08
Regional Rural Bank	-	1.51	1.59	5.30	7.50	3260.03	3792.98	4327.36	14.09	5.29
Cooperative Banks	3.02	3.33	4.4	32.13	20.76	13923.36	16108.92	17546.38	8.92	21.43
Others	0.37	0.37	0.37	0.00	1.75	1401.32	1369.44	982.11	-28.28	1.20
<b>All Agencies</b>	<b>18.79</b>	<b>19.79</b>	<b>21.19</b>	<b>7.07</b>	<b>100.00</b>	<b>62055.43</b>	<b>72956.66</b>	<b>81870.31</b>	<b>12.22</b>	<b>100.00</b>

**4. CD-RATIO**

Agency	CD Ratio (%)		
	31-Mar-23	31-Mar-24	31-Mar-25
Commercial Banks	33.30%	36.00%	38.10%
Regional Rural Bank	41.50%	44.40%	46.60%
Cooperative Banks	48.00%	51.80%	51.20%
Others	43.30%	38.20%	23.20%
<b>All Agencies</b>	<b>36.40%</b>	<b>39.00%</b>	<b>40.41%</b>

**5. PERFORMANCE UNDER FINANCIAL INCLUSION (No. of A/es in lakh)**

Agency	Cumulative upto 31st March 2025			
	PMJDY	PMSBY	PMJJBY	APY
Commercial Banks	12.29	30.17	11.37	5.58
Regional Rural Bank	6.29	6.12	1.93	-
Cooperative Banks	0.6	1.99	0.97	0.18
Others	0.012	-	-	-
<b>All Agencies</b>	<b>19.19</b>	<b>38.28</b>	<b>14.27</b>	<b>5.76</b>

**6. PERFORMANCE TO FULFILL NATIONAL GOALS (As on 31/03/2025)**

Agency	Priority Sector Loans		Loans to Agr. Sector		Loans to Weaker Sections		Loans under DRI Scheme		Loans to Women	
	Amount [Rs. crore]	% of Total Loans	Amount [Rs. crore]	% of Total Loans	Amount [Rs. crore]	% of Total Loans	Amount [Rs. crore]	% of Total Loans	Amount [Rs. crore]	% of Total Loans
Commercial Banks	23040.48	39.00	6561.32	11.10	8391.93	14.20	1.10	0.00	3721.84	6.30
Regional Rural Bank	3581.98	82.80	2946.44	68.10	2293.50	53.00	-	0.00	290.50	6.70
Cooperative Banks	6233.04	35.50	3088.33	17.60	3122.74	17.80	-	0.00	716.10	4.10
Others	262.00	26.70	30.42	3.10	90.05	9.20	-	0.00	83.20	8.50
<b>All Agencies</b>	<b>33117.50</b>	<b>40.50</b>	<b>12626.51</b>	<b>15.40</b>	<b>13898.22</b>	<b>17.00</b>	<b>1.10</b>	<b>0.00</b>	<b>4811.64</b>	<b>5.90</b>

**7. AGENCY-WISE PERFORMANCE UNDER ANNUAL CREDIT PLANS**

Agency	2022-23			2023-24			2024-25			Average Ach[%] in last 3 years
	Target [Rs. crore]	Ach'ment [Rs. crore]	Ach'ment [%]	Target [Rs. crore]	Ach'ment [Rs. crore]	Ach'ment [%]	Target [Rs. crore]	Ach'ment [Rs. crore]	Ach'ment [%]	
Commercial Banks	19167.47	18281.20	95.38	21619.72	19689.30	91.07	24942.50	23040.48	92.37	92.94
Regional Rural Bank	2691.45	2928.84	108.82	2942.43	2907.60	98.82	3500.98	3581.98	102.31	103.32
Cooperative Banks	6311.00	4956.95	78.54	6644.03	5673.05	85.39	7543.36	6212.33	82.68	82.20
Others	136.14	224.57	164.96	191.66	284.94	148.67	289.22	283.59	98.05	137.23
<b>All Agencies</b>	<b>28306.06</b>	<b>26391.56</b>	<b>93.24</b>	<b>31397.84</b>	<b>28554.89</b>	<b>90.95</b>	<b>36246.06</b>	<b>33118.38</b>	<b>91.37</b>	<b>91.85</b>

**8. SECTOR-WISE PERFORMANCE UNDER ANNUAL CREDIT PLANS**

Broad Sector	2022-23			2023-24			2024-25			Average Ach[%] in last 3 years
	Target [Rs. crore]	Ach'ment [Rs. crore]	Ach'ment [%]	Target [Rs. crore]	Ach'ment [Rs. crore]	Ach'ment [%]	Target [Rs. crore]	Ach'ment [Rs. crore]	Ach'ment [%]	
Crop Loan	9158.74	8236.00	89.93	11003.32	8050.50	73.16	11680.12	9848.75	84.32	82.47
Term Loan (Agr)	4720.47	2071.00	43.87	4918.04	2185.27	44.43	5178.05	2777.78	53.65	47.32
<b>Total Agri. Credit</b>	<b>13879.21</b>	<b>10307.00</b>	<b>74.26</b>	<b>15921.36</b>	<b>10235.77</b>	<b>64.29</b>	<b>16858.17</b>	<b>12626.53</b>	<b>74.90</b>	<b>71.15</b>
MSME	12661.04	13803.00	109.54	10955.27	15628.87	142.66	14077.00	17684.00	125.62	125.94
Other Priority Sector	1825.81	2282.00	124.99	4521.22	2709.61	59.93	5311.00	2807.86	52.87	79.26
<b>Total Priority Sector</b>	<b>28306.06</b>	<b>26392.00</b>	<b>93.24</b>	<b>31397.85</b>	<b>28574.25</b>	<b>91.01</b>	<b>36246.17</b>	<b>33118.39</b>	<b>91.37</b>	<b>91.87</b>

**9. NPA Position (Outstanding) (in Cr)**

Agency	2022-23			2023-24			2024-25			Average NPA [%] in last 3 years
	Total O/S	NPA Amount	NPA %	Total O/S	NPA Amount	NPA %	Total O/S	NPA Amount	NPA %	
Commercial Banks	43470.72	1920.66	4.42	51685.32	1790.75	3.46	59014.45	1865.09	4.42	4.10
Regional Rural Bank	3260.03	145.35	4.56	3792.99	143.96	3.80	4327.36	130.03	4.46	4.27
Cooperative Banks	14606.68	1965.24	16.16	16316.63	2019.26	12.38	17546.38	1876.78	14.11	14.22
Others	718.00	275.68	38.40	776.58	14.52	1.87	982.11	19.65	2.00	14.09
<b>All Agencies</b>	<b>62055.43</b>	<b>4306.93</b>	<b>6.94</b>	<b>72571.52</b>	<b>3968.49</b>	<b>5.47</b>	<b>81870.30</b>	<b>3891.55</b>	<b>4.75</b>	<b>5.72</b>

Source : SLBC

## Chapter 1

### Major Socio-Economic Indicators of the State

#### 1.1 Geographic Indicators

Himachal Pradesh, located in the north-western part of the Himalayas, covers an area of 55,673 square kilometers, which constitutes 1.69% of the total geographical area of India. The state is bordered by Jammu and Kashmir to the north, Punjab to the southwest, Haryana to the south, and Uttarakhand to the southeast. As a predominantly hilly state, Himachal Pradesh exhibits significant variation in altitude, ranging from 350 meters to 6,500 meters above sea level. Geographically, Himachal Pradesh lies between 30°22'40" N and 33°12'40" N latitude, and 75°45'55" E and 79°04'20" E longitude, forming an extension of the Shivalik mountain range. The state is traversed by several major rivers, such as the Chenab, Beas, Ravi, Yamuna, and Sutlej, which are vital to its agricultural activities. The diverse topography, with its rugged terrain, fertile river valleys, and alpine meadows, contributes to the region's rich biodiversity.

#### 1.2 Physical Features – Area, Agro Climatic Zones. Land Use Patterns – Gross Cropped Area, Net Sown Area, Major Crops, Operational holdings, SF & MF

Himachal Pradesh spans an area of 55,673 square kilometers. Based on rainfall, soil characteristics, cropping pattern and irrigation potential, the State has been divided into four distinct agro-climatic zones, viz., Sub Montane low hills/sub-tropical, Mid Hills/Sub-humid, High Hills/ Sub-temperate wet and High Hills Temperate. The climate ranges from moderate warm to extreme cold, with sub-zero temperature in higher regions during winter. The soils vary from sandy and silty to silty loam, supporting agriculture in State. The State has rich mineral resources spread across various districts and terrains. Some of the abundantly found mineral ores include lead, slate, gypsum, mica, limestone, rock salt, clays, uranium and iron ore. Out of the total geographical area, 11.49 per cent of the area comes under Net Sown Area and around 24.55 per cent is under forest coverage, Land put to non- agricultural uses is around 7.98 per cent, fallow lands 1.53 per cent, Barren and uncultivable land 16.73 per cent with cropping intensity in the State is around 171%. The cropping pattern reflects agroclimatic diversity; high and midhill regions focus on fruits, vegetables, and floriculture, while low hills predominantly grow food grains. Maize, wheat, millet, barley and rice remain the principal cereals, complemented by pulses such as rajmah, moong, urad, and gram. Himachal Pradesh is a leading horticulture state, producing apples, stone fruits, citrus, and exotic vegetables. Apple continues to dominate, accounting for nearly half of the total fruit area and over 79% of fruit production, reinforcing the States reputation as the Horticulture State of India. The dominance of small and marginal farmers, who constitute nearly 89% of total holdings (71.41% marginal + 17.45% small), shapes the overall land use structure; yet they operate only about 56% of total operated area, with average holdings of 0.40 ha (marginal) and 1.39 ha (small), making land fragmentation a critical constraint for enhancing productivity and investment in agriculture in Himachal Pradesh.

### **1.3 State Demographics**

According to the 2011 census, Himachal Pradesh's population was 68.65 lakh, with a gender ratio of 972 females per 1,000 males compared to the national average of 940. Rural and Scheduled Caste/Tribe populations constitute 90% and 31% of the total, respectively. With a population density of 123 people per square kilometer, Himachal Pradesh is sparsely populated compared to the national average of 382. The total workforce is estimated at 35.59 lakh, accounting for 51.84% of the population. Literacy rates have seen significant improvement, rising from 76% in 2001 to 83% in 2011, with female literacy at 76% and male literacy at 90%.

### **1.4 State's Economy – Key Parameters – GSDP, Growth**

Himachal Pradesh continues to demonstrate robust economic growth, supported by progressive policies and sectoral diversification. The Gross State Domestic Product (GSDP) at current prices for FY 2024-25 is estimated at ₹2,32,185 crore, marking a growth of 10.2% over ₹2,10,662 crore in FY 2023-24. At constant (2011-12) prices, the GSDP is projected at ₹1,46,553 crore, reflecting a real growth rate of 6.7%. The per capita income at current prices is expected to reach ₹2,57,212 in FY 2024-25, up from ₹2,34,782 in FY 2023-24, registering a 9.6% increase.

### **1.5 Sectoral Composition of State's Economy**

The economy is increasingly driven by the secondary and tertiary sectors, which together contribute over 84% to the State's Gross Value Added, while the primary sector remains vital for employment and rural livelihoods. In FY 2024-25, the tertiary sector accounted for 45.3% of the Gross Value Added (GVA), followed by the secondary sector at 39.5%, and the primary sector at 15.2%. Agriculture continues to play a vital role, complemented by a dynamic horticulture segment. The industrial sector is witnessing sustained growth, driven by manufacturing, hydroelectric power, cement, and food processing industries. The services sector anchored by tourism, trade, financial services, and emerging IT initiatives remains the principal engine of economic expansion.

#### **1.5.1 Primary Sector - Share in GVA, Growth, Major industries, Workforce, Govt. Initiatives**

The primary sector remains central to Himachal Pradesh's economy, contributing 15.2% to the State's GVA in FY2024-25 (AE), even as the economy structurally shifts toward industry and services. Primary sector is driven mainly by recovery in crops, livestock, forestry, and fisheries. Agriculture and allied activities continue to provide the backbone of rural livelihoods, employing 53.98% of the State's workforce, far exceeding India's average and reflecting persistent reliance on farm-based livelihoods. Within the agriculture sector GVA, crops account for the largest share with 68.73%, followed by forestry (21.09% of agri-GSVA), livestock (9.24%), and fisheries (0.94%); crop GVA itself has risen sharply, registering a 78% increase between FY2020-21 and FY2024-25 at current prices. Government initiatives focus on strengthening this sector through schemes for crop diversification, farm mechanization, soil and seed testing infrastructure,

and protection against wildlife damage, while large-scale projects such as JICA-assisted crop diversification, fencing support under MKUSY, and natural farming expansion aim to improve productivity and resilience. Alongside this, policy efforts emphasize reducing disguised unemployment by encouraging skill development and reallocation of surplus labour toward secondary and tertiary sectors, ensuring balanced and sustainable growth across the economy

### **1.5.2 Secondary Sector – Share in GVA, Growth, Major industries, Workforce, Govt. Initiatives**

In FY 2024-25, the Secondary sector contributed 39.5% at current prices to GSVA, driven by with manufacturing, construction and utilities. Manufacturing remains the key growth driver, led by pharmaceuticals, food processing, cement, and hydropower. Himachal Pradesh has 60 industrial areas and 17 estates, with Baddi Barotiwala, Nalagarh as India's pharma hub. New projects like Mega Food Park, Textile Park, Bulk Drug Park, and Medical Devices Park aim to attract investment. Policies such as the Industrial Investment Policy 2019, Startup and Mining Policies will boost entrepreneurship and scientific mining, while schemes like Mukhya Mantri Swavalamban Yojana and the State Food Mission strengthen agribusiness and food processing.

### **1.5.3 Services Sector - Share in GVA, Growth, Major industries, Workforce, Govt. Initiatives**

The services sector remains the largest contributor to Himachal Pradesh's economy, accounting for 45.3% of GSVA in FY 2024-25, at current prices. Key subsectors driving this growth include Trade, Hotels & Restaurants, Transport, Storage, Communication & Broadcasting, and Real Estate & Professional Services, supported by financial services and public administration. Despite its dominant share in GVA, the sector employs only 24.01% of the workforce, indicating scope for skill development and workforce reallocation. Tourism continues to be a major growth engine, with government initiatives focusing on infrastructure upgrades such as the expansion of Gaggal Airport in Kangra and the proposed Mandi Airport, alongside digital governance and eNAM integration. The FY 2025-26 budget emphasizes investments in tourism infrastructure, IT enabled services, and hospitality, positioning the services sector as a key driver of inclusive and sustainable growth.

## **1.6 Infrastructure – Existing, potential gap, capital outlay, Power, Connectivity**

The State's road network benefits from significant central support, including a ₹3,667 crore annual plan for highways and bridges in FY2024-25. Further ₹ 3,809 crore has been allocated for district and other roads under Himachal Pradesh Budget for FY 2024-25. Additionally, a ₹1,452 crore Jalori Jot tunnel project is underway to enhance connectivity in Kullu. Electrification is complete across all habitations, and the State continues to be a net exporter of 100% renewable hydropower, with 11,209 MW generated from a potential of 23,500 MW. Despite this, gaps remain in rural road quality, landslide resilience, and last mile power infrastructure. Efforts to bridge these include promoting off grid solar systems, small hydropower projects, slope stabilization, etc.

## 1.7 Social Sector – Educational, Health, Sanitation, Welfare Programmes, Life expectancy, IMR

**Education:** Himachal Pradesh has become the fifth State to be declared ‘fully literate’ with literacy rate of 99.30%, driven by initiatives such as the Rajiv Gandhi Government Model Day-Boarding Schools, and the Apna Vidyalaya-Mera Vidyalaya-Mera Samman scheme. These programs focus on improving educational infrastructure, fostering collaboration between administrative bodies, and incentivizing school performance through grants. However, challenges persist, particularly in rural and remote areas where infrastructure gaps and limited vocational education opportunities hinder equitable educational access.

**Healthcare:** Healthcare infrastructure has improved with advanced facilities such as cancer centers, mental health institutions, and critical care blocks. AYUSH services are being promoted through campaigns like Ashwagandha and Aarogya Kalyan Nidhi. Life expectancy stands at 73.5 years, and Infant Mortality Rate (IMR) has declined to 25.6. Challenges include limited specialist care in remote areas and rising non-communicable diseases.

**Sanitation:** Himachal Pradesh has achieved 100% rural household toilet coverage and retains ODF+ status. During FY 2024-25, Out of the targeted 17,630 villages, 16,067 villages have been declared ODF Plus, comprising 1,857 Aspiring, 717 Rising, and 13,493 Model villages. Additionally, 4,104 individual household latrines and 1,153 community sanitary complexes (including backlog) have been constructed. Solid Waste Management has been implemented in 14,751 villages, while 15,777 villages are covered under Liquid Waste Management. Furthermore, 36 Plastic Waste Management Plants have been established across the State. Welfare Programs: A variety of welfare schemes have been implemented to support marginalized groups. These include the Mukhya Mantri Sukh-Ashray Kosh, which funds shelter homes for children, women, and the elderly, and the Mukhya Mantri Vidhwa Evam Ekal Nari Awas Yojana, which provides financial assistance for housing construction for widows and single women. The state has also proposed the establishment of a “Centre of Excellence for Education of Divyangjans” and an “Institution for Children with Special Disabilities”.

## 1.8 Regional Disparity – Backward -Aspirational Districts, State Specific Schemes

Chamba is Himachal Pradesh’s only Aspirational District under the national initiative. The state has taken several initiatives for the welfare of tribal communities viz. for FY 2024–25, under ST Development Plan ₹899.05 crore are earmarked. Under MNREGA, the State government has increased daily wages of labourers from ₹ 224 to ₹ 240 in general areas and from ₹ 280 to ₹294 in tribal areas. Under the Tribal Action Plan, essential commodities, LPG, and petroleum products were supplied to snow-bound areas, and 32.36 lakh cement bags worth ₹101.93 crore were distributed for panchayat-level development. APL families in tribal regions continue to receive 20 kg wheat/fortified atta and 15 kg rice monthly under NFSA, while off-grid solar plants have been provided to BPL

households to improve energy access. Education support includes ₹80 annual scholarships for Classes 1–8 and ₹11,000 for top tribal students under Thakur Sen Negi Yojana. The State is also developing 15 heliports, including nine in the first phase, to enhance connectivity in remote areas. Central schemes like PM JANMAN and Integrated Tribal Development Programme complement these efforts to improve infrastructure, healthcare, and livelihoods for tribal communities.

### **1.9 Status of Cooperatives in the State – Status, categories and number under each category**

Himachal Pradesh's cooperative sector is robust, as per the National Cooperative Database (NCD) position as on 22 December 2025, Himachal Pradesh has 5,674 cooperative societies, of which 4,861 are functional, 538 are non-functional, and 275 are under liquidation (i.e., about 85.67% societies are functional and about 14.33% are either non-functional or under liquidation). District-wise, Kangra has the highest number of societies (1,158 in total, including 906 functional societies), while Kinnaur has the lowest number of societies (96). In terms of outreach, the 4,861 functional societies in Himachal Pradesh together have more than 17.05 lakh members; Kangra has the highest membership base at around 5.20 lakh members, while Lahaul & Spiti has the lowest membership base at approximately 13.5 thousand members, indicating significant variation in cooperative penetration and scale of participation across districts.

From the sector-wise composition of the 4,861 functional societies, 2,207 are PACS, 993 dairy cooperative societies and 69 fishery cooperative societies. The remaining 1,595 other cooperative societies cover a wide range of cooperative activities such as credit & thrift, consumer, marketing, handloom/weavers, transport, agriculture & allied activities, agro-processing/industrial cooperatives, housing, livestock & poultry, labour cooperatives, multipurpose cooperatives, tourism, educational & training, urban cooperative banks (UCBs), social welfare & cultural cooperatives, khadi & gramodyog, miscellaneous credit, handicraft, bee-farming, and other miscellaneous non-credit cooperative segments.

The Himachal Pradesh State Cooperative Bank (HPSCB) functions as the apex bank with 263 branches, offering short- and medium-term loans to farmers, individuals, and cooperatives. Two district central cooperative banks—the Kangra Central Cooperative Bank (with 217 branches) and Jogindra Central Cooperative Bank (with 33 branches)—further facilitate credit delivery, pension disbursement, and support for self-help groups across multiple districts. Urban cooperative banks (Shimla, Solan, Parwanoo, Mandi, Chamba) extend credit at competitive rates to urban residents. Additionally, the Himachal Pradesh State Cooperative Agriculture & Rural Development Bank operates through 51 branches in nine districts, providing long-term agricultural loans for land development, dairy, farm mechanization, rural housing, and non-farm enterprises. Modernization efforts including PACS computerization, formation of new multipurpose societies, grain storage pilot projects, and retail outlets like Jan Aushadhi and PM-Kisan Samriddhi Kendras are underway, strengthening outreach, transparency, and service delivery.

## Chapter 2

### Banking Sector Profile

#### 2.1 Outreach of Banking Sector

As on 31 March 2025, there are 12 PSBs, 13 Private Sector Banks, 01 RRB, 05 Urban Cooperative Banks, 01 State Cooperative Bank, 02 DCCBs and 2207 PACS. The State had a network of 2,366 branches comprising of 1464 (62%) branches of Commercial Banks, 564 (24%) branches of Cooperative banks, 26 (1%) branches of UCBs and 274 (11%) branches of RRB. Out of total 2366 branches, 1,794 branches are in villages and 572 in towns/semi-urban areas. This means nearly 76% of branches serve rural regions, giving Himachal one of the best ratios in the country —about 2,919 people covered per branch, compared to the national average of 11,000. There are 11537 Banking Outlets (B.O.) in the State in addition to bank branches.

#### 2.2 Banking Sector Key performances

**2.2.1 Deposits :** The banking sector in Himachal Pradesh has shown steady growth across key parameters as of 31st March 2025. Deposits rose by 8.35% year-on-year to ₹2,02,617 crore, reflecting strong savings mobilization both in rural and semi-urban areas. The bank wise share is presented in the table and graph below.

**2.2.2 Loans and Advances :** Loans and advances grew faster at 16.82%, reaching ₹81,870.32 crore, indicating improved credit flow to agriculture, MSMEs, and other priority sectors. The overall business volume (deposits plus advances including credit sanctioned elsewhere and utilised in State) touched ₹3,00,665 crore, up nearly 11% from the previous year. Advances to women and minorities registered strong double-digit growth, highlighting inclusion efforts. Overall, the sector reflects healthy deposit growth, robust credit expansion, and progress in financial inclusion, though low CD ratio remains a challenge.

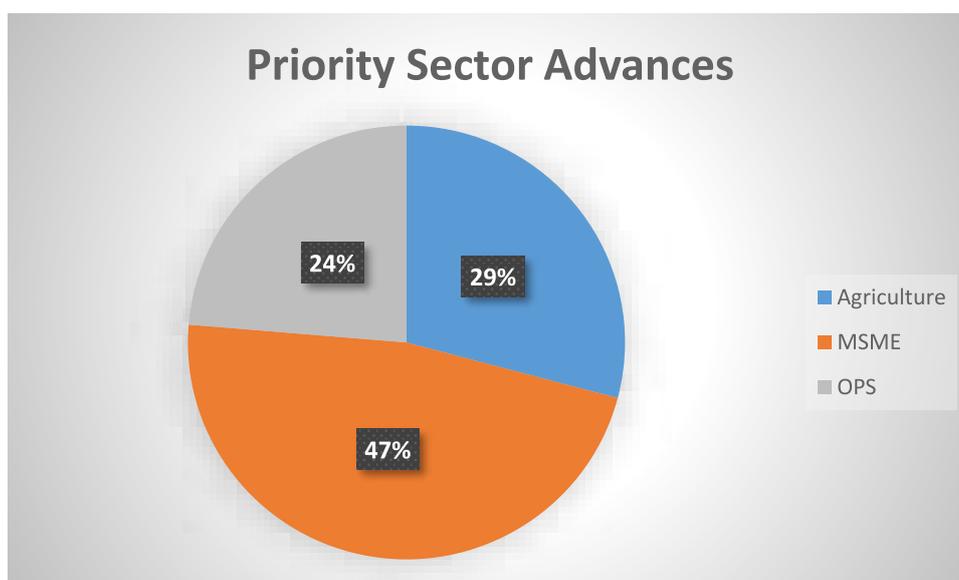
Banks	Deposit (%)	Advances (%)
Commercial Banks	76.42	72.08
RCBs	16.45	20.77
RRB	4.58	5.29
Others	2.55	1.86

**2.2.3 CD Ratio :** The CD Ratio is key indicator to measure the business performance of the banks. As of March 2025, the overall Credit–Deposit (CD) ratio in Himachal Pradesh stands at 40.41%, which was 39.01% as on 31 March 2024. However, seven districts — Bilaspur, Chamba, Hamirpur, Kangra, Lahaul & Spiti, Mandi, and Una — continue to report very low CD ratios, all below 40%, which is a matter of concern. To address this issue, the District Level Consultative Committees (DLCCs) regularly review the situation through their Special Sub Committees (SSC).

### 2.3 Priority Sector Advances

Priority sector advances in Himachal Pradesh as of 31st March 2025 stood at ₹47,538 crore, showing a year-on-year growth of 9.14%. This represents 58.06% of total advances, well above the national benchmark of 40%, highlighting strong compliance.

Within this, agriculture advances were ₹13,848 crore, accounting for 29.13% of total advances, above the national norm of 18%. MSME lending was robust at ₹22,429 crore, forming 47.18% of total priority sector credit, with a healthy growth of 14.37%. Other priority sectors (OPS) remained stable at ₹11,261 crore (23.69%). Overall, priority sector lending reflects strong inclusion, with MSMEs and women borrowers driving growth, though agriculture advances need closer monitoring.



### 2.4 Ground-level credit (GLC) Flow

Ground-level credit (GLC) flow in Himachal Pradesh as of March 2025 reflects strong expansion. Total Outstanding advances within the state stood at ₹81,870 crore, with outside credit utilized locally at ₹16,178 crore and RIDF at ₹3,849 crore, taking overall credit to ₹1,01,797 crore. Crop loans under Kisan Credit Card (KCC) formed a significant part of rural GLC, ensuring timely support to farmers for seasonal needs. Rural credit grew by 11.84% to ₹45,099 crore, while urban/semi-urban credit rose by 12.69% to ₹36,772 crore. Priority sector advances reached ₹47,538 crore, with MSMEs and agriculture being key drivers.

### 2.5 Performance of State under ACP

The performance of Himachal Pradesh under the Annual Credit Plan (ACP) for FY 2024-25 reflects mixed outcomes across sectors. During FY 2024-25 as against the ACP target of ₹36246.06 crore for the State, the achievement stood at ₹33118.38 crore, which is 91.4% of the target. The achievement under total agriculture credit stood at 74.9% (₹12626.53 crore), under MSME achievement is 125.6% (₹17684 crore) of the targets whereas it was 83.56% (₹1645 crore) in Other Priority Sector.

## **2.6 Health of Financial Institutions – Agency wise analysis – Key Performance indicators – Areas of concern**

### **2.6.1 Commercial banks**

Commercial banks show mixed health as of March 2025. PSBs dominate with 61% market share, led by PNB and SBI, but their CD ratios (33–35%) remain below RBI's 60% benchmark, reflecting cautious lending. Areas of concern include high NPAs in farm credit and MSMEs, weak credit flow in tribal districts, and uneven participation of private banks in rural lending. Overall, while inclusion targets are met, credit deployment efficiency and NPA management remain pressing challenges.

### **2.6.2 Regional Rural Bank**

Himachal Pradesh Gramin Bank (HPGB), play a crucial role in rural credit delivery. As of March 2025, HPGB operated 274 branches with deposits of ₹9289.34 crore and advances of ₹4327.35 crore, maintaining a CD ratio of ~46.6%, slightly above the state average of 40.41%. Despite outreach, CD ratio remains below RBI's 60% benchmark, indicating underutilization of deposits, low disbursements under term lending.

### **2.6.3 Rural Cooperative Banks**

As of March 2025, HP State Cooperative Bank leads with deposits of ₹16,334 crore and advances of ₹11,288 crore, maintaining a CD ratio of 69%, showing strong credit deployment. Kangra Central Cooperative Bank, however, lags with a CD ratio near 30%, reflecting weak credit expansion despite large deposits. Jogindra Central Cooperative Bank contributed modestly, while urban cooperatives remain marginal players. Key performance indicators highlight steady deposit growth, significant farm credit disbursement, and outreach to weaker sections. Yet, areas of concern include rising NPAs in agriculture, uneven performance across districts, and limited diversification beyond farm lending.

## **2.7 Kisan Credit Card – Status and Gap in the State**

As of March 2025, Kisan Credit Card (KCC) coverage in Himachal Pradesh shows progress but with notable gaps. Crop loan disbursements under KCC form the bulk of farm credit, with PNB and SBI leading issuance. HP Gramin Bank and cooperatives also contribute significantly in rural areas. As of 31st March 2025, total 6.04 lakh KCCs are operational against 9.76 lakh farmers as reported in the DLR (Directorate of Land Records) data. There is substantial gap of 3.71 lakh (38%). In the KCCs issued, cumulative outstanding amounted to ₹11,102 crore, with an increase in both fresh and renewed KCCs during the year.

The key gap lies in uneven district coverage, low adoption among small and marginal farmers. Strengthening awareness, issues related to issuance and use of Rupay KCC cards, digital facilitation, and recovery mechanisms are essential to bridge the KCC gap and ensure inclusive agricultural credit flow.

## 2.8 Financial inclusion – Status and areas of concern

### 2.8.1 Financial Literacy Centres (FLCs)

The Financial Literacy Centre (FLC) is a dedicated institutional set up for spreading financial literacy across the State. At present 15 FLCs are functional with dedicated Financial Literacy Councillors at each centre.

<b>Banks</b>	<b>No. of FLCs</b>
PSBs	06
HPStCB	06
Kangra CCB	03
<b>Total</b>	<b>15</b>

### 2.8.2 PMJDY

GOI schemes in Himachal Pradesh show mixed outcomes as of March 2025. PMJDY has 19.20 lakh accounts with high Aadhaar seeding, (but 20–25% remain zero-balance) limiting utility. Poor utilization of PMJDY accounts, limited private bank participation, and uneven district coverage are some of the challenges. Creating awareness, and digital facilitation is essential to maximize scheme impact and ensure balanced financial inclusion.

### 2.8.3 Universal social security schemes PMJJBY, PMSBY & APY

As of March 2025, universal social security schemes in Himachal Pradesh show steady outreach but gaps in coverage. PMJJBY (life insurance) with 14.28 lakh accounts, and PMSBY (accident insurance) with 38.29 lakh accounts have expanded, ensuring affordable risk protection. APY (Atal Pension Yojana) with 5.76 lakh accounts has seen rising subscriptions, particularly among rural workers, offering long-term pension security. Cooperative and RRBs play a key role in mobilizing enrolments, while private banks are lagging. Despite progress, concerns remain : awareness in remote districts is low, renewals under PMJJBY/PMSBY face dropouts, and APY penetration among informal workers is limited. Zero-balance PMJDY accounts also restrict auto-debit for premiums. Strengthening awareness campaigns, ensuring timely renewals, and expanding digital facilitation are essential to bridge gaps and achieve universal social security coverage across the state.

<b>Scheme Name</b>	<b>Total no. of cumulative accounts (in lakh)</b>
PMJDY	19.20
PMJJBY	14.28
PMSBY	38.29
APY	5.76

### 2.8.4 PMMY

As of March 2025, Pradhan Mantri Mudra Yojana (PMMY) in Himachal Pradesh has shown strong credit offtake with outstanding loans ₹3409.78 crore. Public sector banks

like SBI and PNB lead disbursements, followed by HP Gramin Bank and cooperatives, ensuring wider outreach. Key performance indicators highlight growth in micro and small enterprises, aiding self-employment and entrepreneurship. However, areas of concern include rising NPAs in Mudra loans, uneven district coverage with weaker flow in tribal regions. Strengthening recovery, improving financial literacy, and expanding digital facilitation are critical to sustain PMMY's impact and ensure inclusive credit access across the state.

Cumulative position under PMMY outstanding amount as on 31.03.2025 and no. of accounts is as under :

Category	No. of accounts	Amount (in crore)
Shishu (loan upto ₹50,000/-)	33,650	109.77
Kishore (loan above ₹50,000/- upto ₹5 lakh )	93,807	1,502.61
Tarun (loan above ₹5 lakh upto ₹10 lakh )	30,911	1,797.40
<b>Total</b>	<b>1,58,368</b>	<b>3,409.78</b>

### 2.8.5 PM-KISAN

As of September 2025, the 21st instalment of PM-KISAN was released, with over ₹160 crore transferred to more over 8 lakh farmers in Himachal Pradesh. The eligible farmers benefitted from the annual ₹6,000 support, credited directly into their bank accounts via DBT, ensuring transparency and reducing leakages. Aadhaar seeding and e-KYC have improved coverage, but issues remain : delays in instalment release for some farmers, incomplete e-KYC leading to payment holds, and exclusion of tenant farmers or those lacking proper land records. While PM-KISAN provides vital income support, strengthening outreach, documentation, and grievance redressal is essential to ensure universal farmer coverage and timely benefit delivery.

### 2.8.6 NABARD Initiatives in Financial Inclusion

NABARD HPRO sanctioned 3,893 financial and digital literacy camps amounting to ₹2.22 crore for various Banks and Financial Institutions (FIs), with a special focus on creating awareness about emerging cyber security threats. Under the Special Incentive Scheme for Hilly States, NABARD sanctioned ₹2.25 crore to five Banks to incentivize the BC/CSP network, thereby strengthening financial inclusion. Banks and FIs have been brought into the fold of the ENGAGE portal, ensuring end-to-end digitalisation of NABARD's grant schemes.

NABARD HP RO is providing financial assistance to 20 Centres for Financial Literacy (CFLs) across an equal number of blocks in Himachal Pradesh, sanctioned to SBI, PNB, and UCO Bank. Of these, 11 CFLs fall under Phase II, managed by PNB and UCO Bank, while the remaining 9 CFLs fall under Phase III, managed by PNB, UCO Bank, and SBI.

Sr. No.	Bank	Phase II (Name & No of Blocks)	Phase III (Name & No of Blocks)
1	UCO Bank	Pachhad, Tilordhar, Kandaghat, Chopal & Mashobra (05)	Sadar & Ghumarwin (02)
2	SBI	-	Bhattiyat, Tissa, Udaipur & Kaza (04)
3	PNB	Bhoranj, Naggar, Mandi Sadar, Balh, Gohar & Gopalpur (06)	Kalpa, Una & Gagret (03)
<b>Total no of Blocks</b>	<b>20</b>	<b>11</b>	<b>9</b>

## 2.9 PACS Computerisation under CPCSP

As of January 2025, the Government of India's Centrally Sponsored Project for PACS Computerisation (₹2,516 crore outlay) has onboarded over 50,455 PACS nationwide onto ERP-based common software, linking them with State Cooperative Banks and DCCBs.

In Himachal Pradesh, 1,789 PACS have been selected in the first two phases; the outlay indicated for HP is ₹58.98 crore (GoI: ₹47.78 crore; State Govt.: ₹5.31 crore; NABARD: ₹5.89 crore). As of 21 December 2025, 1,147 PACS are reported ERP Go-Live and HOCs has been uploaded for 703 PACS.

## 2.10 Computerisation of Land Records

Himachal Pradesh has advanced land record digitisation through HimBhoomi software and the launch of the 'My Deed' NGDRS pilot project (July 2025), enabling online registration of land documents and reducing manual paperwork. Record of Rights (RoR), mutation, and spatial records are being digitised, improving accessibility and transparency.

However, critical gaps remain: incomplete integration of cadastral maps with textual records, delays in mutation updates, connectivity issues in tribal districts like Lahaul-Spiti and Kinnaur, and limited digital literacy among revenue staff. Evaluation reports highlight inconsistencies in data quality, duplication, and lack of real-time synchronization across tehsils.

## Chapter 3

### NABARD's perception on the Development perspective of the State

#### 3.1 Capital formation in agriculture

Capital formation in agriculture, critical factor for sustainable growth, has improved in Himachal Pradesh viz. public investment in irrigation, rural infrastructure, and mechanization, alongside private credit flow through KCC, PM-KISAN, and PMMY. NABARD's RIDF and refinance have supported capital formation in farm mechanization, storage, and allied activities. These investments have enhanced production and productivity, fostered growth in horticulture, dairy, and fisheries complementing traditional crops. Improved access to institutional credit and technology adoption has raised production, particularly in apple and vegetable cultivation. However, critical gaps remain as: low capital intensity in small holdings, low-level of mechanization due to hilly terrain, limited post-harvest infrastructure, and inadequate diversification. Strengthening investment in irrigation, digital agriculture, and value chains is essential to accelerate capital formation and ensure balanced growth in farm output across the state. NABARD's State Focus Paper 2026-27 projects a credit flow of ₹45809.93 crore for Himachal Pradesh, with ₹18,194.89 crore earmarked for agriculture and allied activities, prioritising small and marginal farmers (SF/MF). We have sanctioned 7597 projects with loan of Rs.13,590 crore under RIDF to Government of HP.

#### 3.2 Financing of SF/MF Oral Lessees/Tenant Farmer/ Sharecroppers etc.

In Himachal Pradesh small and marginal farmers constitute about 89% of total land holdings. Small and marginal farmers are currently meeting their agriculture credit needs through KCC; however, offtake is still low. To address exclusion of oral lessees, tenant farmers, and sharecroppers lacking land records, NABARD promotes Joint Liability Groups (JLGs) through banks. While JLGs improve access to crop loans and allied financing, coverage remains modest due to documentation gaps, risk perception among banks and limited awareness. SF/MF continue to rely heavily on informal credit and tribal districts face weaker outreach. Strengthening JLG promotion, incentivising banks, digitising land records and expanding financial literacy are essential to ensure inclusive financing and reduce vulnerability of tenant farmers in the state.

#### 3.3 KCC, Crop Insurance and Land records – Digitization

Ministry of Agriculture and Farmers Welfare has launched Ghar Ghar KCC Abhiyan which aims at universal financial inclusion ensuring every farmer has hassle free access to credit for their agriculture pursuits. As per HP Economic Survey 2024-25 banks have funded 6.04 lakh farmers through KCC for a total of Rs.11,102 crore till March 2025 covering 62% of total farmers in the state. RuPay-enabled KCCs are being rolled out, though only 60% are actively used for digital transactions. Crop insurance under PMFBY covers 4.5 lakh farmers but claim settlement delays and low awareness persist.

Scheme	No. of Application ( in lakhs)	Sum Assured (Rs in crore)
PMFBY	7	191
WBCIS	3	404

Land record digitisation through HimBhoomi and National Generic Document Registration System (NGDRS) pilots has digitised 85% of Record of Rights, yet integration of cadastral maps and creation of electronic charge for loans remains incomplete, especially in tribal districts. Key concerns include underutilisation of RuPay KCC, weak insurance penetration and awareness, and gaps in land record integration for facilitating easy documentation and charge creation.

In this regard, SVAMITVA, a Central Sector Scheme of Ministry of Panchayati Raj was nation-wide launched by the Hon'ble Prime Minister on National Panchayati Raj Day, 24th April 2021. This scheme is a reformative step towards establishment of clear ownership of property in rural inhabited ("Abadi") areas, by mapping of land parcels using drone technology and providing 'Record of Rights' to village household owners with issuance of legal ownership cards (Property cards/Title deeds) to the property owners. The scheme covers multifarious aspects viz. facilitating monetisation of properties and enabling bank loan; reducing property related disputes; comprehensive village level planning, would be the stepping-stone towards achieving Gram Swaraj in true sense and making rural India Atmanirbhar. The scheme has covered 13,920 villages across Himachal Pradesh, with drone based surveys completed in 5,419 property cards for 364 villages.

### 3.4 Agriculture and Allied activities

As per HP Economic Survey 2024-25, agriculture and allied activities contribute 14.74% to GSDP, with gross cropped area of around 9.9 lakh ha and foodgrain output of 15.2 lakh MT. Diversification into horticulture has made Himachal a "fruit bowl of India" with apple production of around 6.5 lakh MT and vegetables at 18 lakh MT. Productivity gains stem from polyhouse farming, mechanisation, and improved varieties, yet small holdings (89% SF/MF), low irrigation (21.5% of net sown area), and weak post-harvest infrastructure constrain growth. Doubling farmers' income prospects hinge on diversification, value addition, cold chains, e-NAM integration, and allied sector expansion. Climate risks and market volatility remain challenges, requiring stronger investment, risk management, and institutional support to ensure sustainable income growth.

### 3.5 Climate Change – Adaptation and Mitigation

Himachal Pradesh demonstrates strong commitment to climate resilience through integrated adaptation and mitigation strategies. Agriculture & Horticulture faces erratic rainfall and reduced chilling hours, forests are vulnerable to fires leading to biodiversity loss whereas transport and energy sectors require low-carbon transition. The State Action

Plan emphasizes natural farming, watershed development, afforestation, renewable energy expansion, and electric mobility. NABARD Initiatives include ₹20 crore NAFCC project in Sirmaur benefitting 30,000 farmers via climate-smart agriculture, EV infrastructure with 80 charging stations across 11 districts, skill development for EV maintenance and JIVA Project promoting natural farming in Solan. These efforts strengthen livelihoods, green mobility, and ecosystem sustainability, positioning Himachal Pradesh as a model for low-carbon growth.

### **3.6 Farmer Producers' Organisation**

NABARD has promoted 125 FPOs in Himachal Pradesh with Rs. 16.24 crore under PODF/PRODUCE, benefitting 27,053 farmers and achieving Rs. 23.60 crore turnover; 7 FPOs operate under Prakritik Kheti Khushhal Kisan (PK3Y) for natural farming. Under Central Sector Scheme, 23 FPOs were formed through CBBOs with sanction of Rs. 11.80 crore. Credit access to these institutions is strengthened through NABKISAN's cycle-based loans backed by a Rs. 1,000 crore Credit Guarantee Fund (NAB Sanrakshan), ensuring risk mitigation and lending comfort to banks. Convergence with GoI and state schemes includes facilitation of licenses (Mandi, Fertilizer, FSSAI, GST), onboarding on ONDC, linkage with PK3Y, and capacity building by NABARD, ACSTI and BIRD to enhance governance and management, market access, and value addition. These initiatives collectively foster sustainable livelihoods in the state. Major issues and challenges faced by FPOs in the state include low capital base, no specific bank policy and wherever available reluctance on the parts of bank branches leading to lack of awareness, lack of collateral to access credit, poor credit history of BoD members, lack of business plan etc.

### **3.7 MSME**

In Himachal Pradesh, 3.22 lakh MSMEs thrive in pharma sector, food processing, textiles etc. across 65 industrial areas. They contribute around 28% to GSDP. Districts such as Kangra and Solan are hotspots for micro and small enterprises while Sirmaur leads in steel and miscellaneous enterprises. The state also has significant potential in traditional products like Kullu shawls and Kangra bamboo products which have strong domestic and international markets.

### **3.8 Microcredit**

Microcredit is crucial for Himachal Pradesh's socio-economic development, enabling rural entrepreneurs—especially women—to access finance, start-up businesses, and improve livelihoods despite geographic and banking constraints. NABARD drives this through models like Joint Liability Groups (JLGs), which provide collateral-free credit and convergence with SRLM. As of 23 January 2026, State Rural Livelihood Mission has credit linked 54,141 SHGs and the loan outstanding of these SHGs stand at Rs.395.26 crore. In current FY (2025-26), 475 JLG formation & credit linkage has been sanctioned by NABARD. Programs like MEDP (84 projects in five years) and LEDP (30 projects benefitting 3,000 participants) building skills and promoting sustainable enterprises

have been sanctioned. NABARD also strengthens SHG networks through enhancing credit absorption and financial literacy. These initiatives collectively foster self-reliance, employment, and inclusive growth in rural Himachal Pradesh, especially among women.

### **3.9 Rural Infrastructure and linkage support**

Rural infrastructure is central to Himachal Pradesh's inclusive growth, given its hilly terrain, dispersed habitations and agriculture-led economy. NABARD supports the State through concessional financing under RIDF for roads, bridges, irrigation, drinking water, schools, polyhouses and allied infrastructure. As on 15 December 2025, NABARD has sanctioned 7,597 projects involving ₹13,589.77 crore under RIDF. Eligible activities have been expanded to include ropeways and EV charging infrastructure, reflecting emerging mobility and tourism needs. Under RIDF XXXI (2025–26), 73 projects amounting to ₹713.87 crore were sanctioned. NABARD also supplements RIDF through other infrastructure models such as NIDA and RIAS, enabling long-term, flexible financing to accelerate rural infrastructure creation.

### **3.10 Financial Inclusion**

NABARD considers financial inclusion in Himachal Pradesh essential for inclusive growth, prioritizing outreach to remote and hilly regions. Despite improvements in banking infrastructure and literacy, challenges such as difficult terrain, poor connectivity, and low credit penetration remain. NABARD promotes digital solutions—micro ATMs, PoS terminals, mobile banking—and supports initiatives under the Financial Inclusion Fund for literacy, BC/CSP incentives, and digital adoption. It also strengthens microcredit and SHG programs to empower marginalized communities. Capacity building and infrastructure development are key to extending access beyond urban centers. In FY 2025-26, NABARD HP sanctioned ₹2.22 crore for 3893 Financial Literacy Camps and ₹2.25 crore to five banks under the BC/CSP Incentive Scheme, providing ₹1,500 per month to BCs/CSPs. Capital and operational support is also being provided for Centres for Financial Literacy being promoted by Reserve Bank of India in the state.

### **3.11 Past trends in credit flow**

Credit expansion in Himachal Pradesh strengthened over the last two years: outstanding advances rose from ₹65,762 crore (Mar'23) to ₹98,048 crore (Mar'25) (+16.8% YoY in FY25), while deposits grew 8.35% to ₹2,02,617 crore YoY, CD ratio stood at 40.41% (Mar'25). District CD ratio gaps persist in seven district where it is lower than the state average. Priority-sector outstanding increased 9.14% YoY to ₹47,537.56 crore, driven by MSME (₹22,428.63 crore; +14.37%) and Agriculture (₹13,847.50 crore; +8.51%). Under ACP 2024-25, banks achieved ₹33,118 crore (91.37%) against a target of ₹36,246 crore. Sector wise, ACP achievement was 125.63% under MSME, 74.90% under Agriculture and 83.56% under Other Priority Sector, 39.61% under Housing and 16.32% under Education.

### **3.12 Sustainable Agriculture Practices**

Himachal Pradesh demonstrates a strong commitment to sustainable agriculture aligned with climate adaptation goals. The State Mission on Sustainable Agriculture, supported by National Mission on Sustainable Agriculture and Soil Health Card Program under RKVY, promotes natural farming, soil health, and watershed development. NABARD complements these efforts through initiatives like the ₹20 crore NAFCC project, benefiting 30,000 farmers with climate-smart practices and drought resilience, watershed & springshed development and JIVA Project in Solan for natural farming. State's initiatives include Natural Farming scheme covering 38,437 hectares and 2,22,893 farmers. Additionally, Him Unnati Yojana aims at sustainable income enhancement. These interventions collectively enhance productivity, conserve resources, and strengthen livelihoods, positioning Himachal Pradesh as a front-runner in sustainable agriculture.

### **3.13 Agroforestry**

Agroforestry is a sustainable land-use system integrating trees with crops and/or livestock to enhance productivity and resilience. It combines annual crops with perennial trees using practices suited to local conditions. Key features include multiple plant species (at least one woody perennial), diverse outputs, and cycles exceeding one year. In Himachal Pradesh, forests cover 68.16% of the area, yet wood and fodder gaps persist. To address this, GoI promotes tree planting through Har Med Par Ped and Agri-Horticulture schemes. These initiatives improve soil health, diversify farmer income, and make agriculture climate-resilient—paving the way for sustainable rural livelihoods.

NABARD also supports agroforestry through interventions under watershed and springshed development besides special plantation campaigns.

### **3.14 Watershed Development initiatives in the State**

Himachal Pradesh's rugged terrain requires integrated watershed management for climate resilience and sustainable farming. Under WDC-PMKSY 2.0, the Centre approved 26 projects covering over 0.54 lakh ha with assistance of Rs 151.20 crore (Rs 136.08 crore Central share). By Jan 2025, Rs 55.77 crore has been released, creating 367 water harvesting structures, irrigating 1,421 ha, and benefiting 16,547 farmers. NABARD has supported watershed and spring shed projects since 2005–06, funding Rs 31.49 crore across 39,195 ha, with Rs 26.41 crore disbursed by Mar 2025. Banking plans in these watershed and springsheds promote credit for water conservation, micro-irrigation, agroforestry, organic farming, and livelihoods. These efforts enhance resource management, boost credit flow, and strengthen farmer incomes, positioning Himachal Pradesh as a model for watershed-based climate adaptation and low-carbon growth.

PM Krishi Sinchai Yojana focuses on expanding irrigated areas through efficient water use in Himachal Pradesh. The scheme operates via components like Har Khet Ko Pani (HKKP), Watershed Development Component (WDC-PMKSY) etc. Under WDC-

PMKSY, Himachal has 66,870 hectares total project area across 12 districts, with 54,000 hectares surveyed for crops as of September 2025; this includes strong horticulture coverage (2,428 ha) and cereals (16,808 ha). Cumulative irrigation potential created stands at 11.38 thousand hectares under HKKP (up to 2023 data), with central assistance of ₹125.97 crore released by mid-2025.

NABARD through its Tribal Resilience Initiative for Building Environmentally Sustainable livelihood (TRIBES) sanctioned 15 projects amounting to Rs.2271.07 lakh in 03 districts of Himachal Pradesh covering 2728 acres of land and 3980 beneficiaries.

### **3.15 PACS as Multi Service Centres (MSC)**

Primary Agricultural Credit Societies (PACS) are being transformed into multi-service centres provide member-centric services in rural areas and to deepen the existing input and service supply mechanism. It also fosters creation of quality infrastructure and increase their business portfolio. As per HP Economic Survey 2024-25 and SLBC agenda, ~2207 PACS operate in the state, with NABARD driving computerisation and diversification. Beyond crop loans, PACS now provide input supply, storage, custom hiring of machinery, crop insurance facilitation, and e-NAM linkages. Under the GOI initiative (2023), PACS are being integrated with schemes like PMFBY, KCC, and PMKSY, enabling convergence of credit and irrigation support. NABARD's refinance projects back PACS infrastructure such as godowns and cold storage. Challenges include uneven capacity, weak governance, and lack of professional staff. Strengthening digitalisation, training, and scheme convergence is vital to make PACS effective multi-service centres.

NABARD under Agriculture Infrastructure Fund has supported 20 PACS in HP encompassing 08 PACS in district Bilaspur, 01 PACS each in districts of Chamba, Hamirpur, Kangra, Kinnaur, while Solan and Sirmour stand at 02 PACS each and 04 PACS have been supported in district Mandi.

### **3.16 Skill India Scheme related to agriculture and non agriculture**

Skill India initiated by Government of India aims to harness India's growing workforce by equipping youth with employable skills in agriculture and non-agriculture, and by 2025. It has trained over 1.63 crore candidates under PMKVY alone across multiple sectors. The Mission is anchored in the National Skill Development Mission (2015), National Policy for Skill Development, PMKVY and industry-led Sector Skill Councils (SSCs) under NSDC; 36 SSCs are now operational, covering more than 750 districts, with agriculture as one of the key councils. These councils set National Occupational Standards, design curricula and conduct training and certification for millions of youth each year. In Himachal Pradesh, Himachal Pradesh Kaushal Vikas Niagm (HPKVN) functions as the State Skill Mission, leveraging the ADB assisted Himachal Pradesh Skills Development Project. HPKVN also implements PMKVY 2.0/3.0 state components, ASCI to upgrade skills of cultivators and agri-workers and NSDC through seven sub-missions focus on training, infrastructure, convergence, trainers etc.

Himachal Pradesh has made notable progress under HPKVN and DDU-GKY (Deen Dayal Upadhyaya Grameen Kaushalya Yojana) in skill development for rural youth. By 2025, it trained 97556 youth with placement 24805 youth. DDU-GKY has skilled thousands of rural youth aged 15-35 in Himachal through placement-linked programs. State-specific achievements include training more than 10,000 candidates by mid-2025, with 6,500 placed in jobs, supported by alumni meets and focus on local industries.

NABARD has trained 7290 rural youth and women under its skill development initiatives over last five years. These efforts focus on skills like EV charging station technician, plastic recycling machine operator, electrician and others.

### **3.17 Scope for organic farming, promotion of “Digital Technological Innovations in Agriculture”**

Himachal Pradesh offers strong potential for organic farming due to its agro-climatic advantages. Under PKVY, farmers are organized into groups for chemical-free crop cultivation. During FY 2025-26, Rs. 866.00 lakh is allocated under Bharatiya Prakritik Krishi Paddhati (BPKP), benefiting over 31,366 farmers. Schemes like PK3Y and PKVY support certification, aggregation, and marketing through FPOs. Digital innovations are reshaping agriculture via precision farming, IoT sensors, mobile advisory apps, and e-market platforms like ONDC. The Digital Agriculture Mission under Krishonnati Yojna will create a unified farmer database with unique IDs, GPS-linked land details, crop data, and benefits, regulated by Agri Stack. An amount of Rs. 22.60 crore approved has been approved for 2025-26 under this component. NABARD also promotes agri-tech, exemplified by its support for the IIT Mandi AI-driven crop advisory project.

Himachal Pradesh faces distinct challenges across sectors. In agriculture, low irrigation coverage (~21.5% of net sown area) and climate variability threaten crop and horticulture production, especially apples, pushing diversification into kiwi, pomegranate, and medicinal plants.

## Chapter 4

### Potential Credit Outlay

#### 4.1 Credit Potential for Priority Sector Lending – Introduction and overall status of PSL in the State

Priority Sector Lending (PSL) is crucial for inclusive growth of Himachal Pradesh, given its focus on agriculture, horticulture, and MSMEs. NABARD's State Focus Paper 2026-27 projects PSL credit potential of ₹45,809 crore, an increase of 8.44% over last year projections. The potential has been estimated after taking into consideration sectoral trends in agri and allied activities, MSME priorities, gaps in infra and credit under various sectors. Sectoral distribution shows agriculture at ₹18194.90 crore, MSMEs at ₹23827.72 crore, and other sectors (housing, education, renewable energy, export credit, social infrastructure and others) at ₹2343.26 crore. The rural credit deposit ratio at state level remains moderate (40.41%), highlighting scope for deeper penetration of credit products. While achievement levels of priority sector are consistently above 85–90%, challenges persist in tribal districts, digital literacy, and infrastructure gaps. Strengthening FPOs, PACS, and digital platforms like e NAM is vital to fully realise PSL potential and ensure equitable credit access.

#### 4.2 Credit potential for Agriculture – Total potential; Share of Crop Loans and Term Loans; Ancillary Activities, etc.

As per State Focus Paper 2026 27, total credit potential for agriculture in Himachal Pradesh is projected at ₹18194.90 crore, forming 40% of overall PSL. Within this, crop loans account for ₹12487.88 crore, term loans contribute ₹3553.07 crore (19.52%), covering agriculture Infrastructure contributes ₹680.44 crore (3.73%) and ancillary activities ₹598 crore (3.28%). The HP Economic Survey 2024 25 highlights rising demand for horticulture term loans and allied activities, while SLBC notes steady growth in crop loan disbursement but gaps persist in tribal districts. Overall, agriculture credit potential is expanding, with diversification into dairy, fisheries, and post-harvest infrastructure crucial to balance short term crop finance through investment in farm sector.

##### 4.2.1 Farm Credit

Farm credit potential in Himachal Pradesh is estimated at ₹16916.21 crore including maintenance, marketing and allied activities, forming the bulk of priority sector lending. Crop loans (₹13,363.14 crore) meet seasonal needs, while term loans (₹3553.07 crore) support irrigation, orchards, dairy, and farm mechanisation. The Interest Subvention Scheme reduces the cost of credit for crop loans up to ₹3 lakh, where timely repayment lowers the interest to 4%. Challenges remain in tribal districts where due to low awareness level and weak infrastructure, making credit delivery and institutional support vital for equitable farm credit.

#### **4.2.1.1 Crop Production, Maintenance and Marketing**

Crop production in Himachal Pradesh is dominated by vegetables, cereals like maize, wheat, and rice. As per Economic Survey 2024-25, total foodgrain output was 7.5 lakh MT, while fruit production reached 9.2 lakh MT, showing a shift towards horticulture crops. Yield gaps persist due to fragmented holdings, low mechanisation, and climate stress. As per SLBC data the crop loan disbursed during FY 2024-25 was at ₹ 9848.75 Crore. Major bottlenecks are lack of value chain, marketing and processing infrastructure which provide better price discovery. e-NAM which broadens the market base is also implemented in 38 out of 73 APMC markets only. Further, there is need to develop climate resilient cultivars to enable adaptation to vulnerabilities. There is a need to promote PACS as one stop service provider for supply of quality inputs and enable aggregation for better price discovery. State Government may improve weather advisories to help farmers to cope up with weather vulnerabilities and bank should identify and support entrepreneurs for providing post-harvest services to farmers.

**Credit Potential Estimation** - The aggregate credit potential assessed for the year 2026-27 in all districts of the State is ₹12,487.88 crores.

#### **Issues and constraints in the tapping of potential**

- Lack of production and outcome-based incentives in agriculture produce.
- Climate changes are making Agriculture in the State highly vulnerable to extreme weather events: Lack of early warning and forecasting mechanisms for rain, frost, hail and other climate related incidents at tehsil/district level.
- Digital agriculture adoption remains limited due to incomplete data integration, uneven digital access at the grassroots, and low capacity of farmers to effectively use mobile apps and other tech platforms for real-time advisories and scheme benefits.
- Stray & wild animals as also monkey menace is affecting sowing of crops and production leading to unviable farming systems.
- Yield gaps under cereal production due to limitations in irrigation, use of climate resilient varieties, lack of awareness of package and practices, etc. is major impediment in generation of farm level marketable surplus.
- Inadequate Logistics and market level linkage affect the profitable disposal of marketable surplus.
- Weak extension mechanism is a reason for lack of farm level advisories.
- Absence of accredited warehouse facilities in adequate number / capacity limits marketing credit / NWRs.
- Many of the Agriculture Markets in the State lack basic facilities for grading / sorting, washing and storage to better price realization to farmers.

### **Critical infrastructure required to tap the potential**

- Precision farming needs to be stressed upon in the state to ensure balanced use of fertilizers and irrigation facility to encourage its optimum usage.
- FPOs/PACS need to undertake processing and marketing activities of their members' produce in order to harvest the benefit of integration of the value chain.
- Construction of warehouses, cold storage, agro processing units at PACS or village cooperative societies.
- Automatic weather stations with advisories lacking.

### **Action Points for State Government**

- The Agriculture, Horticulture and Animal Husbandry departments of State Govt. & KVKs may work to reduce the gap between lab to land for agronomic practices.
- Drip / Sprinkler irrigation may be popularized among farmers to improve water distribution efficiency.
- The storage structure viz. Godowns, Cold storages etc. should be constructed at PACS or panchayat level, thus providing farmer opportunity for benefiting from economy of scales.
- Installation of automatic weather stations with SMS based advisories to farmers and orchard owners.
- Strengthen crop insurance schemes and weather-based insurance options for farmers to mitigate risks like droughts, floods, and other climate-related challenges.

### **Action Points for Bankers**

- PMFBY may be popularized among farmers, encouraging them to avail the benefit of crop insurance.
- Under Ghar-Ghar KCC Abhiyan, 100% saturation of KCC need to be ensured, putting impetus on e-KCC.
- Providing KCC-AH to all eligible livestock owners.
- Providing benefit to farmers by dovetailing banking schemes with govt. subsidy schemes such as AIF, AMI, PM Kisan, etc.
- Focus on increasing investment credit in Agriculture.

#### **4.2.1.2 Water Resources**

Himachal Pradesh is a key contributor to the Indus and Ganga basins through snow and rain-fed rivers. Out of 5.57 m ha geographical area, only 5.25 lakh ha is cultivated, with an irrigation potential of 3.03 lakh ha against which 1.12 lakh ha has been tapped.

**Credit Potential Estimation** - The aggregate credit potential assessed for the year 2026-27 in all districts of the State is ₹ 220.53 crores.

#### **Issues /constraints in tapping of potential**

- Key constraints include difficult terrain, high maintenance costs, delays due to statutory clearances and dormant Water Users' Associations.
- Uneven temporal and spatial distribution of water
- Good practices like plastic mulching and micro irrigation etc. to improve water distribution is not being adopted on a large scale by the farmers in the State.

#### **Critical infrastructure required to tap the potential**

- Priority areas include strengthening minor irrigation, flow irrigation infrastructure, watershed development and rainwater harvesting.
- Promotion of techniques for judicious use of water and renewable energy-based pumps.
- Rejuvenation of traditional Surface Water Resources (construction /renovation)

#### **Action points for state Government**

- Water conservation and its constructive use in watershed development needs to be promoted in the State
- Incentivising HDPE pipes for farm irrigation.
- Focus on tapping surface water through irrigation channels wherever feasible.
- Farmers involved in commercial agriculture and horticulture to be encouraged to adopt micro irrigation.

#### **Action Points for Bankers**

- Bankers need to facilitate loans for solar water pumps as subsidies are available in this sector.
- Bankers may formulate area-based schemes to finance drip/sprinkler irrigation devices on a large scale, which will facilitate effective irrigation and save water.

#### **4.2.1.3 Farm Mechanization**

Farm mechanisation in Himachal Pradesh is gradually rising, though it remains constrained by the state's hilly terrain and predominance of small and fragmented holdings. The demand profile is skewed towards lighter and terrain suitable equipment such as power tillers, mini implements, brush cutters, sprayers, and small pack houses rather than large tractors or heavy machinery. Policy support has focused on subsidies under the Sub Mission on Agricultural Mechanisation (SMAM), the establishment of Custom Hiring Centres (CHCs), and training programmes to ensure safe and efficient use of equipment. The Economic Survey 2024 25 has highlighted persistent productivity

gaps and stressed the need for machinery developed to mountain conditions, NABARD's PLPs have flagged CHCs, drones, precision farming tools, and post harvest mechanisation as priority areas for intervention. Overall, farm mechanisation in Himachal Pradesh has significant potential to enhance productivity and reduce drudgery, but coordinated efforts by the state universities and banks are essential to overcome terrain related constraints and ensure inclusive access to modern tools and technologies.

**Credit Potential Estimation** - The aggregate credit potential assessed for the year 2026-27 in all districts of the State is ₹326.79 crores.

**Issues and Constraints:**

- Hilly Terrain coupled with Land Fragmentation: In HP, rolling topography and fragmented holdings makes it difficult for mechanization to be cost-effective.
- Maintenance and Repair: Insufficient infrastructure for repair and maintenance services in rural areas makes it harder for farmers to maintain machinery.

**Action Points for State Government:**

- Expanding CHCs across districts, targeting SMAM subsidies specifically to hilly regions, and strengthening skill development programmes for operators and rural youth.
- Training and Skill Development: Increase investments in training programs for farmers on operating, maintaining, and troubleshooting farm equipment.

**Action Points for Banks:**

- Support for Custom Hiring Models: Financial products that support the establishment and operation of custom hiring centers will help in the more widespread adoption of farm mechanization.

**4.2.1.4 Plantation & Horticulture including Sericulture**

Horticulture is a vital pillar of Himachal Pradesh's economy and has grown steadily over the decades, transforming the livelihoods of farmers across the State. The Horticulture area in the state stood at 2.37 lakh hectares in FY 2024-25 with a production of 6.48 lakh MT of Fruits.

The major fruits include Apple (5.02 lakh MT), Mango (0.45 lakh MT), Pear (0.16 lakh MT) and Orange (0.146 Lakh MT). Apple remains the dominant fruit crop of Himachal Pradesh, occupying 49% of the total fruit growing area and contributing 77.5% of the State's fruit production in 2024-25. Beyond apples, the cultivation of citrus crops, nuts, and dry fruits has also grown significantly. The fluctuations have been observed in apple production in recent years which highlight the need to explore and utilize the potential of cultivating diverse horticultural crops across varied agro-ecological zones.

Sericulture in Himachal Pradesh has also emerged as an important rural, income generating activity, engaging around 10,470 families across the state. The major silk cocoon production is concentrated in Bilaspur, Mandi, Kangra, Hamirpur, Una and

Sirmour, where Bilaspur and Mandi contributing 35% and 25% of the output respectively. There are eight sericulture divisions in the state under which 79 Government Sericulture Centres-cum-Chawki Rearing Centres and 64 mulberry farms are functioning.

**Credit Potential Estimation** - The aggregate credit potential assessed for the year 2026-27 in all districts of the State is ₹ 839.72 crores.

### **Issues and Constraints**

- **Limited Access to Modern Equipment:** The lack of advanced farming techniques and limited access to modern equipment hampers farm mechanization and intensive production.
- **High Input Costs:** The high cost of inputs, coupled with inadequate post-harvest infrastructure, leads to significant post-harvest losses, particularly for perishable crops.
- **Climate Change:** Unpredictable rainfall and rising temperatures have negatively impacted the crop growth cycles and yields.
- **Unavailability of Processing Industries:** Lack of adequate processing facilities for raw agricultural produce reduces the potential value-added opportunities for farmers.
- **Marketing Issues:** Difficulties in securing fair market prices due to inadequate and scattered marketing infrastructure.
- **Foreign Imports:** Imports of fruits is hampering horticulture prices in domestic market.

### **Schemes being implemented in the State**

The horticulture sector in the state is augmented by central schemes like MIDH (Mission for Integrated Development of Horticulture), Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), Pradhan Mantri Rashtriya Krishi Vikas Yojana, Sub-Mission on Agriculture Mechanization (SMAM) in addition to state schemes such as Installation of Anti Hail Nets and Mukhyamantri Kiwi Protasahan Yojana. The apple cultivation of state has been strengthened through HPHDP project funded by World Bank and sub-tropical fruits cultivation is being promoted in the state through ADB funded SHIVA project.

### **Action Points for State Government:**

- Promote water-use efficiency through micro-irrigation systems.
- Strengthen extension services to provide farmers with modern agricultural techniques, quality inputs, and effective market linkages.
- Support the establishment of cold storage and refrigerated transport facilities to reduce post-harvest losses for perishable crops.

- Strengthening climate adaptation measures, such as promoting climate-resistant crop varieties and developing weather forecasting systems.
- State government needs to formulate incentive scheme for replacement of senile orchards and transition to high density plantation.

**Action Points for Banks:**

- Offer easy credit terms for farmers to invest in irrigation systems, machinery, and high-quality planting material and replacement of senile orchards.
- Creating awareness about banking schemes and dovetailing with Central Govt. schemes like AIF, AMI, etc. to provide benefit to farmers.

**4.2.1.5 Forestry & Wasteland Management**

Himachal Pradesh encompasses various biotic provinces making it a hub of biodiversity. According to the India State of Forest Report 2023, forests cover 27.98% of the state's area. The forestry sector has contributed 3.10% to the Gross State Value Added (GSVA) and 21.09% to the agriculture and allied sector in FY 2024-25.

**Climate Resilient Projects in State:**

The state is implementing several major externally aided projects including:

- KfW assisted Forest Ecosystems Climate Proofing Project (₹ 308.45 crore) in Chamba and Kangra districts to enhance climate resilience and biodiversity.
- JICA supported Forest Ecosystems Management and Livelihood Improvement Project (₹800 crore) focusing on sustainable forest management and livelihood enhancement.
- World Bank aided Integrated Project for Source Sustainability and Climate Resilient Rain fed Agriculture (₹ 650 crore), covering 900 Gram Panchayats and aimed at watershed treatment, productivity enhancement, and income growth.

**Credit Potential Estimation** - The aggregate credit potential assessed for the year 2026-27 in all districts of the State is ₹ 193.09 crores.

**Issues and Constraints:**

- Overgrazing, illegal logging, and encroachments complicate conservation efforts. Inadequate investment in the forestry sector is also a major concern.
- Ban on felling of trees in private land is a major stumbling block for agroforestry scheme in the private sector.

**Suggested Action Points for State Government:**

- Enhance Policy Support: Strengthen policies for sustainable forest management and wasteland rehabilitation, encouraging the participation of local communities, farmers, and NGOs.

### Suggested Action Points for Banks:

- Financial Products for Sustainable Practices: Develop tailored financial products to support agroforestry, afforestation, and wasteland reclamation projects, catering to farmers and local entrepreneurs.
- Support for NTFP-Based Businesses: Proactively finance for the establishment of businesses involved in processing and marketing forest-based products, including medicinal plants.

#### 4.2.1.6 Animal Husbandry- Dairy

Animal husbandry is a vital component of the agrarian economy in Himachal Pradesh and contributes significantly to rural livelihoods. As per Livestock Census 2019, the state has a livestock population of 44.13 lakh, including 18.28 lakh cows and 6.46 lakh buffaloes. As per the Livestock Census 2019, crossbred cows constitute 58.48 percent of the total cattle population, and they contribute nearly 77 percent of the state's milk output. This shift has been a major driver of rising milk production which has grown at a CAGR of 3.6% from 11.39 lakh tonnes in 2012-13 to an estimated 17.50 lakh tonnes in 2024-25. The per capita availability of milk has also improved to 666 grams per day in 2024-25 which is well above the national average of 485 grams per day.

Despite this progress, the dairy sector faces several challenges. Procurement of milk in remote areas remains limited due to limited connectivity and low volumes. Feed and fodder shortages, low productivity of animals and limited artificial insemination (AI) coverage which further constrain growth. Addressing these issues is critical to sustaining the upward trend in milk production and improving farmers' incomes.

Himachal Pradesh has become the first state in India to introduce Minimum Support Price (MSP) for milk, ensuring assured income for dairy farmers through transparent, quality based procurement. It is procuring cow milk at ₹51 per litre and buffalo milk at Rs. 61 per litre. Further, the state has launched a pioneering pilot project to procure goat milk at ₹ 70 per litre. Under RIDF, fully automatic milk processing plant with capacity of 1.5 LLPD at Dhagwar in Kangra district is being constructed with sanctioned amount of ₹201 crore. In addition, NABARD has promoted 25 dairy-focused Farmer Producer Organizations (FPOs) in the state, which aim to enhance collective bargaining, improve market access, and strengthen value chains.

**Kisan Credit Cards (KCC) for Animal Husbandry** - Government of India since the year 2018-19, has formulated policies for extension of Kisan Credit Card (KCC) to the farmers engaged in activities of Animal Husbandry and Fisheries for enabling them to meet their working capital (WC) requirements. As per the Himachal Pradesh SLBC data, the position of the KCC - Animal Husbandry in the State is as follows:

Total no. Of KCC for Animal Husbandry as at the end of March 2025	Total outstandings of KCC-Animal Husbandry as at the end of March 2025 (In Cr.)
74425	632.31

**Credit Potential Estimation** - The aggregate credit potential assessed for the year 2026-27 for dairy development in all districts of the State is ₹1297.54 crores.

### **Major Issues and Constraints**

- Lack of availability of quality animals limits the growth potential of the sector.
- Inadequate availability of door step veterinary services and shortage of trained manpower is hampering tapping of potential in the sector.
- Feed and fodder scarcity & insufficient water resources for fodder cultivation, is a major constraint for commercial dairy.
- Lack of milk processing industries, further limits the milk rates and milk marketing at farm level.
- Private investment in milk processing sector is muted due to MSP for milk.

### **Action Points for Government**

- Facilitate PACS/ Promote milk cooperatives in vicinity of milk processing plants and link them through milk routes.
- Improve access to veterinary care & breed improvement services.
- Focus on investment in alternative feed & fodder resources such as Silage, Azolla.

### **Action Points for Bank**

- Financing heifer rearing units for quality animals.
- Focus on financing mini dairy units with silage units.
- Financing startups/entrepreneurs with hyperlocal market tie ups.

#### **4.2.1.7 Animal Husbandry - Poultry**

Poultry farming is an important component of the rural economy in Himachal Pradesh, complementing agriculture and livestock-based livelihoods. The total poultry population in the state stood at 13.42 lakhs. Egg production in Himachal Pradesh stood at 9.60 lakh during 2024-25. The government is implementing various schemes for development of poultry in the state which include:

**Backyard poultry project:** Under this scheme, 10-100 numbers of chicks of 3 week old Low Input Technology (LIT) birds' are distributed among the poultry farmers.

**Him Kukkut Palan Yojana:** Under this project, beneficiaries receive 60 per cent subsidy on both capital investment (shed building, feeders and drinkers) and recurring costs (cost of chicks, feed etc.).

**Credit Potential Estimation** - The aggregate credit potential assessed for the year 2026-27 for poultry development in all districts of the State is ₹ 139.07 crores.

### **Major Issues and Constraints**

- **Feed Shortage:** Feed constitutes the largest production cost in poultry farming. Rising prices and occasional shortages of quality feed material are major issues affecting profitability.
- **Market Volatility:** Poultry farmers face price fluctuations for eggs and chicken, making it difficult to maintain steady incomes.
- **Low commercialization of poultry in the State.**

### **Action Points for Government:**

- Enhance disease control programs, focusing on vaccinations and biosecurity measures.
- Offer financial support for the establishment of modern commercial poultry farming infrastructure.
- Facilitate contract farming arrangements to stabilize poultry prices and minimize price volatility, ensuring fair compensation for farmers.
- Providing industry status to poultry for its coverage under PMMY and CGTMSE.

### **Action Points for Bank:**

- Impetus on issuing KCC-AH to the eligible farmers.
- Establish tie-ups with poultry industry bodies to streamline loan disbursement and reduce transaction costs.
- Collaborate with government programs to promote commercial poultry, offering loans with favourable terms and conditions to small-scale poultry farmers.

#### **4.2.1.8 Animal Husbandry – Sheep, Goat and Piggery etc.**

Livestock farming plays a vital role in Himachal Pradesh's rural economy, with 44.13 lakh animals, including 7.91 lakh sheep, 11.08 lakh goats, and around 2,000 pigs as per the 19th Livestock Census. These are especially important for small and marginal farmers, providing income, nutrition, and livelihood security.

Sheep rearing is concentrated in Kullu, Kangra, and Mandi, supported by government crossbreeding programmes involving Merino and Rambouillet breeds. The Wool Procurement and Marketing Federation (WPMF) is a major institution working the state to safeguards producers from middlemen by procuring wool, conducting sheep shearing with imported machinery and supporting marketing.

The credit potential assessed for the sector for FY 2026-27 is about ₹ 8,415.19 lakhs which includes ₹ 6,835.90 lakhs of Term Loan and ₹ 1,579.29 lakhs of Working Capital.

**Government Programmes & Plans:**

- **The Central Sheep and Wool Research Institute-** North Temperate Regional Station (NTRS) Garsa, Kullu works towards development of fine wool sheep by crossbreeding local Gaddi ewes with exotic breeds and to conduct research on fodder production, farming systems, and sheep health in the temperate Himalayan region.
- **The Krishi Bakri Palan Yojana** provides goat units of 11 goats, 5 goats, and 3 goats (each with one male) at a 60% subsidy, significantly improving access to quality breeding stock. The scheme further includes provisions for feed and fodder support and insurance during the last trimester of pregnancy, reducing risks for farmers.
- **National Livestock Mission (NLM):** Focuses on improving productivity, breeding, and health management.
- **KCC for the Sector:** KCC are available for livestock farmers in Himachal Pradesh, allowing them access to short-term credit for purchasing feed, medicines, and other livestock-related expenses.

**Credit Potential Estimation** - The aggregate credit potential assessed for the year 2026-27 for Sheep/Goat/Pig development in all districts of the State is ₹ 84.15 crores.

**Constraints and Issues:**

- Low Productivity of the animals w.r.t. wool and meat production.
- Market Access: The market for meat, wool, and dairy is fragmented, with limited organized supply chains.
- Lack of pastures and grazing grounds.
- Inadequate fiscal support and investment in the sector, due to the migratory nature of the shepherds/animal owners.

**Suggestions:**

- Training and Awareness: Government and NGOs need to invest in training farmers.
- Market Linkages: The development of organized market linkages for meat, wool, and dairy at production centres would improve farmer income.
- Insurance and Credit Access: Increase access to insurance schemes and simplified credit processes to encourage farmers to invest in livestock.

**Action Points for Government:**

- Strengthen Veterinary Infrastructure: Enhance veterinary care facilities, vaccination programs, and disease control measures with adequate manpower.
- Development of meat breeds through selective breeding.

**Action Points for Banks:**

- Expand KCC Reach: Increase awareness and access to Kisan Credit Cards for livestock farmers.
- Risk Mitigation: Provide loan products with insurance cover that take into account the risks faced by livestock farmers during migration.

**4.2.1.9 Fisheries**

The fisheries sector is an important component of Himachal Pradesh's primary economy, supported by its rich natural resources such as glacier fed rivers, reservoirs, and cold water streams. The Fishery sub-sector constitutes 0.14 per cent of total Gross State Value Added (GSVA) and 0.94 per cent of agriculture and allied sector GSVA at current prices in 2024-25. Himachal Pradesh's rivers like Beas, Satluj, and Ravi along with their tributaries, support valuable cold water species strengthened by successful initiatives such as the Indo Norwegian trout farming project. Major reservoirs including Gobind Sagar, Pong, Chamera, and Ranjeet Sagar are key contributors to production and local livelihoods.

Fish production has more than doubled from 8560.89 MT in 2012-13 to 17,721 MT in 2023-24 registering a CAGR of 3.3 percent for the same period. The production value of fish has increased from ₹ 5818.13 lakhs in 2012-13 to ₹ 27,323.87 lakhs in 2023-24.

Fishermen welfare is supported through schemes providing ₹ 5 lakh insurance to Fishermen, 50% gear-loss compensation and assistance under Pradhan Mantri Matsya Sampada Yojana (PMMSY) Livelihood and Nutritional Support Scheme, benefiting 3,553 fishermen in FY 2024 25. Under FIDF, ₹5 crore state of the art fisheries training centre is being established in Una district.

**KCC for Fisheries** - Kisan Credit Cards (KCC) are available for the fisheries sector in HP, allowing fish farmers access to short-term credit for purchasing inputs such as seeds, feed, and equipment. However, the uptake among fish farmers is low, often due to a lack of awareness in the fisheries community.

**Credit Potential Estimation** - The credit potential assessed for sector for FY 2026-27 is Rs 50.85 crore which includes ₹23.66 crore of Term Loan and ₹ 27.19 crore Working capital.

**Issues and Constraints:**

The shortage of quality fish seeds, lack of awareness among rural people regarding scientific fish farming in village ponds, inadequate marketing infrastructure such as ice plants, mini cold storage, refrigerated vans, and difficulty in accessing insurance, need to be addressed to strengthen the fisheries sector in the state.

**Action points for State Government:**

- Improved Scheme Outreach: Increase awareness and reach of government schemes, including those under PMMSY among fishermen.

- Sport -fishery sites need to be expanded.
- Intensive fish farming through modern techniques e.g bio flock, RAS need to be incentivised.

**Action points for Banks:**

- Enhance Financial Literacy: Banks can collaborate with government agencies to improve financial literacy among fishermen for issuing of KCC – Fisheries.
- Dovetailing of loan products with Govt. schemes need to be done for cross – subsidisation.

**4.2.1.10 Sustainable Agriculture Practices**

Agriculture sector in Himachal Pradesh contributes 14.7% to the state's GSVA and supports over 54% of its workforce. The state is moving away from monoculture and heavy chemical use to more balanced, eco friendly natural farming systems. This transition involves adoption of natural and organic farming, greater crop diversification, agroforestry practices and improved soil and water conservation measures.

Programs such as Prakritik kheti Khushhal Kisan Yojana (PK3Y), National Mission for Sustainable Agriculture- Rainfed Area Development and National Mission on Natural Farming are promoting natural farming, while millet development schemes and the Crop Diversification Project encourage farmers to diversify into more resilient and high-value crops. NABARD is also supporting Natural farming in Solan through its JIVA programme aimed to benefit 500 Farmers covering 200 hectares of land. Under PK3Y, NABARD in collaboration with Department of Agriculture, Government of Himachal Pradesh has promoted 07 FPOs focused on natural farming.

Credit flow is a crucial enabler of sustainable agriculture and attention is being directed toward investments that enhance productivity and resilience. Priority areas include protected cultivation, micro-irrigation, tissue culture nurseries, seed processing units, bio-input manufacturing and vermicomposting. These areas not only support environment friendly practices but also create new opportunities for farmers and rural entrepreneurs.

Despite this progress, several challenges remain. Farmers often have limited awareness of sustainable methods and certification costs discourage many from pursuing natural or organic labels. Access to quality inputs is uneven, markets for sustainable produce are not well-developed and financing gaps continue to constrain adoption. Addressing these issues will require greater government focus on extension services, research, streamlined certification and clear zone-wise recommendations. At the same time, banks can play a proactive role by providing priority loans, supporting FPOs and SHGs, and using traceability systems to strengthen value chains. HP is procuring natural products maize, turmeric on MSP from farmers adopting natural farming practices.

**Issues and Constraints:**

- **Limited Access to Technology:** While organic farming & water-saving technologies exist, their access is limited, especially for small farmers. The adoption of modern farming techniques like precision agriculture is still low.
- **Market Access and Price Premium:** Farmers often face challenges in accessing markets due to poor infrastructure. Additionally, lack of premium make it difficult to motivate farmers.
- **Pest and Disease Management:** Farmers have limited access to knowledge on integrated pest management and sustainable alternatives.

**Action points for Government**

- **Water Management Initiatives:** The government needs to focus on improving water-use efficiency through rainwater harvesting, drip irrigation & watershed management projects.
- **Soil Conservation Programs:** Implementing soil conservation methods & the use of organic fertilizers can help in mitigating soil erosion & degradation.
- **Extension Services:** Strengthening agricultural extension services to disseminate knowledge on sustainable practices like crop diversification, organic farming & IPM. This can be done through farmer training programs & digital platforms.

**Action points for Bank Support**

- **Financial Assistance for Sustainable Practices:** Banks need to offer subsidised loans & financial products for adopting sustainable farming practices, such as drip irrigation, solar-powered equipment & organic certification.

**4.2.1.11 Farm Credit- Others, including Two Wheelers for farmers**

Beyond crop loans, farm credit in Himachal Pradesh covers two wheelers for farmers, rural transport, storage structures, pack houses, and small agri assets. These activities improve market access, reduce drudgery, and enhance productivity.

**Credit Potential Estimation:** The aggregate credit potential assessed for the year 2026-27 for the Farm Credit- Others, including Two Wheelers for farmers in all districts of the State is ₹1276.57 crores.

**Issues and Constraints:**

- **Creditworthiness and Loan Default:** Many farmers, especially marginal ones, lack formal credit histories, leading to difficulties in securing loans for two-wheelers.
- **High Interest Rates:** Interest rates for two-wheeler loans might be higher than desirable for farmers, deterring them from taking loans.

**Action Points for Government:**

- Implement flexible loan repayment options tied to crop cycles, weather patterns, and income levels to accommodate unexpected agricultural setbacks.
- Provide targeted subsidies or interest rate subsidies for loans related to agriculture and two-wheeler purchases, especially for small and marginal farmers.
- Launch campaigns to raise awareness about available financial schemes for farmers, including KCC, crop loans, and two-wheeler financing options.

**4.2.2 Agriculture Infrastructure****(i) Storage – Warehousing facilities; Cold Storage facilities; Agri marketing infrastructure; State Government initiatives; e-NAM;**

Himachal Pradesh, a leading apple producer, offers strong potential for investments in cold storage, CA stores, and cold chains to reduce post-harvest losses and stabilize prices. The State has 25 CA stores and 18 cold stores with capacities of 74,568 MT and 25,085.5 MT respectively. Opportunities also exist in renovating and constructing small godowns, supported by funds under NFSA and PM Gati Shakti. The State has 73 market yards, 38 linked to e-NAM, though further upgrades in grading, sorting, and testing are required. New mandis and digitalization of APMC functions are underway. To enhance investment, implementation of AIF should be expedited, and FPOs and PACS encouraged to utilize interest-subsidy benefits. Banks may leverage PACS infrastructure, use credit guarantee facilities under AIF, and support FPOs through NABSanrakshan for strengthening storage and cold-chain systems.

**Credit Potential Estimation** - The aggregate credit potential assessed for the year 2026-27 for Agriculture Infrastructure – storage in all districts of the State is ₹396.68 crores.

**Action Points for State Government:**

- Invest in building modern, climate-controlled warehouses, particularly in rural areas through cooperatives.
- Invest in modernizing and expanding agricultural markets, including the establishment of rural mandis, and promote the integration of digital tools to improve transparency and price discovery.
- Digital literacy programs and help farmers with the technicalities of using e-NAM for better price discovery and access to national markets.
- Allow leasing of land to PACS under section 118 of The Himachal Pradesh Tenancy and Land Reforms Act, 1972 to develop storage at farm-gate.

**Action Points for Banks:**

- Collaborate with the government to facilitate access to loans for technology adoption and support farmers in connecting with value chains.
- Popularise Agriculture Infrastructure Fund (AIF) and PMFME.

**(ii) Land Development, Soil Conservation and Watershed Development**

In the Indian Himalayan terrain, particularly in Himachal Pradesh, the landscape ranges from gentle to highly steep slopes, with climatic conditions varying from humid sub-tropical zones to cold and dry regions. At higher altitudes, soil erosion and landslide accompanied by high-velocity surface runoff contribute to acute water scarcity.

Watershed and springshed development play a vital role in conserving spring water as well as surface and subsurface water resources. Techniques such as bunding, trenching, pond construction, check dams and gully plugs not only help in conserving soil by reducing the transport of eroded material but also facilitate the storage of surface water.

Himachal Pradesh has a total geographical area of 55.67 lakh hectares, of which 8.90 lakh hectares remain barren, largely due to water scarcity in steep slope regions. This scarcity is exacerbated by the combination of steep terrain and changing climatic conditions. To address these challenges, all relevant departments including the Agriculture Department, Rural Development Department, Horticulture, and Forestry Department need to prepare integrated plans ensuring effective implementation of watershed development initiatives. They must adopt a participatory approach by involving local communities and farmers in the planning process.

Furthermore, the joint contribution of experts from agriculture, water resources, forestry and rural development need to be ensured to strengthen multidisciplinary coordination. Data-driven planning, supported by GIS/GPS technology, need to be employed for accurate mapping of soil, water and land resources. In addition, continuous monitoring, regular reviews, and timely corrective measures are essential to guarantee that watershed development initiatives deliver long-term and sustainable outcomes.

**Credit Potential Estimation:** The credit potential for land development and watershed projects, especially in the context of irrigation infrastructure and soil conservation, is immense. A credit potential of ₹228.92 Crore is estimated for 2026-27.

**Issues and Constraints:**

- Lack of banking products for watershed development.
- The lack of technical expertise and poor implementation of schemes further hinder development efforts, alongside issues related to land fragmentation.

**Action for Government:**

- Prioritize large-scale watershed management initiatives to increase water retention, improve soil quality, etc.

- Launch targeted soil conservation campaigns, providing farmers with access to organic farming practices, erosion control techniques, and water-efficient farming technologies.
- Invest in efficient irrigation systems like drip and sprinkler irrigation to maximize water use efficiency and reduce dependency on erratic rainfall. Include a focus on water recharge structures, such as check dams and ponds.
- Develop pastures on waste land through selected water conservation techniques and involving PRI/ other local institutional network.

**Action Points for Banks:**

- Developing financial models for watershed management and land development schemes.

**(iii) Others - Tissue Culture/ Agri Bio-tech, Seed Production, Vermicomposting, Bio Pesticides/ Fertilisers, etc.**

Himachal Pradesh is boosting agri biotech, seeds and organic inputs to raise yields and tackle climate change. Two Plant Tissue Culture Laboratories, one each in the public and private sector, have been established for the rapid propagation of planting material. Clonal rootstocks of temperate fruits like apple, pear, cherry etc, are also being multiplied and made available to the growers. The State is self-sufficient in the production and supply of most of the temperate fruit plants but is deficient in planting material of mango, citrus and other sub-tropical fruits, walnuts, pecan, kiwi fruit, cherry, spur types of apples etc.

For advisory services in fruit plant nutrition, three Plant Tissue Analysis Laboratories have been established at Shimla, Kullu and Dharmshala in which around 10000 to 13000 plant issue samples are analyzed annually for the diagnosis of nutritional disorders and recommendations for dosages for fertilizer application. This has helped the orchardists in making judicious use of chemical fertilizers.

Banks may focus credit on financing greenhouses, tissue culture nurseries, seed processing/cold storage, bio input and community vermicompost units, backed by certification, quality testing, and market tie ups.

**Credit Potential Estimation** - The credit potential for Agriculture Infrastructures-others is ₹ 54.84 Crore.

**Action Points for Government:**

- Promote centres supplying natural farming inputs.
- Increase investment in R&D for developing climate-resilient varieties through tissue culture and biotechnology.
- Develop value chain for organic products through PACS and SHGs.
- Organize training programs for farmers on the benefits & application of agri-biotech, bio-pesticides, and climate-resilient farming techniques.

**Action Points for Banks:**

- Partner with the government to finance projects in vermicomposting bio-fertilizer production & water-efficient irrigation systems.
- Support ACABC trainees in seed production and vermicompost.

**4.2.3 Ancillary activities****(i) Food & Agro Processing**

Himachal Pradesh has been awarded the “Best State in Food Processing Award” for its outstanding work in introducing innovative programmes in the food processing sector. There are 23 designated food parks in the state, one dedicated mega food park and two agro-processing clusters in Kangra and Solan districts. Additionally, 18 cold chain projects and numerous food processing units have been established under the State Mission on Food Processing and Pradhan Mantri Kisan Sampada Yojana.

**Interventions by GoI and State Govt.****i. Capital Subsidy:**

- a. Technology Up-gradation/ Establishment / Modernization of FPIs (Cost of Plant & Machinery & Technical Civil Works)- Financial assistance to food processing units in the form of grant-in-aid with 33.33% of the cost of Plant & machinery and technical civil works, subject to a maximum of ₹ 75 lakhs throughout the State.
- b. Cold Chain, Value Addition and Preservation Infrastructure (for non-horticultural products) under SMFP- Grant-in-aid: Grant-in-aid @ 50% of the bank appraised project cost or 50% of actual investment on building, Plant & Machinery whichever is less subject to a maximum of ₹ 5 Crore per project
- c. Modernization of Meat Shops under State Mission of Food Processing- 75% of the cost of Machinery/Equipment and Technical Civil Works (TCW) and other eligible items subject to maximum of ₹5.00 lakh under the scheme Modernization of Meat shops under State Mission of Food.

**ii. Interest Subsidy**

- a. Cold Chain, Value Addition and Preservation Infrastructure (for non-horticultural products) under SMFP-The interest subvention will be for a period of 7 years from the date of completion of the project and commencement of commercial production as certified by concerned GM, DIC/MS, SWCA. Every year the interest subsidy @ 7% will be paid to the Bank/FI directly against the term loan sanctioned and availed by it, subject to a maximum of ₹25.00 lakhs per year.
- b. Micro, Small and Medium Enterprises (MSME)- Interest Subvention @ 3% on term loan subject to a maximum of ₹2 lakhs, ₹4 lakhs and ₹6 lakhs per annum for a period of 03 years in Category A, B & C areas respectively.

- c. Large Enterprises-Interest Subvention @ 3% on term loan subject to a maximum of ₹10 lakhs, ₹15 lakhs and ₹ 20 lakhs per annum for a period of 03 years in Category A, B & C areas respectively.

**ODOP - MoFPI has approved products for all 12 districts of HP under PMFME scheme. The list of ODOP products approved is given below:**

S. N.	District Name	ODOP Product (Agro) under PMFME scheme
1	Bilaspur:	Turmeric
2	Chamba:	Apple Based Products
3	Hamirpur:	Milk based product
4	Kangra:	Mango Based Product
5	Kinnaur:	Fruit Wine
6	Kullu:	Apple Based Product
7	Lahaul Spiti:	Seabuckthorn based product
8	Mandi:	Peas & Vegetables
9	Shimla:	Apple Based Product
10	Sirmaur:	Ginger and Garlic
11	Solan:	Mushroom
12	Una:	Potato Based Products

**Credit Potential Estimation** - The credit potential of ₹392.75 crores has been envisaged under this sector for the FY 2026-27.

**Issues and Constraints**

- The uneven geographic distribution of post-harvest infrastructure contributes to regional-level disparities in processing and production.
- Further, logistical barriers relating to connectivity also pose supply-side challenges.

**Action points for Government:**

- Invest in better storage, transport & logistics infrastructure, particularly in rural areas.
- Facilitate collaborations between the government, private sector & international agencies to establish processing units & research facilities.

**Action points for Banks:**

- Financing food and agro-processing units sync with GoI/ State Government schemes need to be given impetus.

**(ii) Agri. Ancillary Activities Others – ACABC, Custom Hiring Centres, Loans to PACS/ FSS/ LAMPS, Loans to MFIs for on-lending;**

The Agri Clinics & Agri Business Centres (ACABC) scheme promotes self employment for agri graduates by financing ventures in extension, input supply, and services. Custom Hiring Centres (CHCs) provide farm machinery to smallholders, reducing drudgery and improving productivity. As on 16.01.2026, 432 candidates have been trained, and 112 agri-ventures have been established under ACABC scheme in Himachal Pradesh.

Banks extend loans to PACS/LAMPS/FSS for infrastructure, storage, and input distribution, and to MFIs for on lending to SHGs and small farmers.

NABARD is promoting the transformation of Primary Agricultural Credit Societies (PACS) into Multi-Service Centres (MSC) to strengthen cooperatives at the grassroots. The initiative aims to make PACS modern, member-driven business entities that provide both financial and non-financial services. Under this model, PACS will expand beyond credit to offer input supply, storage, marketing, and other agri-services, while also converging with the World's Largest Grain Storage Plan. This transformation is expected to enhance rural infrastructure, improve farmer access to services, and position PACS as strong hubs for agricultural growth and rural development. In Himachal Pradesh under PACS as MSC, a total of 51 proposals were sanctioned as of March 31, 2025. Out of these 51 proposals, disbursement for 22 proposals amounting ₹ 4.01 crore has been made.

**Credit Potential Estimation** - The credit potential for the aggregate credit potential assessed for the year 2026-27 for Agri. Ancillary Activities Others is ₹205.49 crores.

**Constraints:** low awareness, weak repayment discipline in MFIs, limited viability of CHCs in hilly terrain, and inadequate technical support for ACABC ventures.

**Action Points for Government**

- Strengthen infrastructure for agri-ancillary activities by establishing more ACABC, Custom Hiring Centres, Agro-Processing Parks, logistics facilities.
- Encourage the use of digital tools and mobile platforms for financial transactions, loan applications, and monitoring for farmers and agri-businesses. Offer specialized training programs for farmers on the use of technology, loan repayment schedules, and accessing financial products, so they can fully leverage the credit and financial services offered by PACS, FPOs.

**Suggested Action Points for Banks:**

- Banks need to support the adoption of digital banking platforms, such as mobile apps, for farmers and rural businesses to apply for loans, track payments, and access credit-related information. This will make financial services more accessible in remote areas.

**4.3 MSME - Working Capital and Investment Credit.**

An enterprise is being classified as Micro, Small or Medium Enterprise on the basis of the following criteria, namely: -

- Micro Enterprise: where the investment in plant and machinery or equipment does not exceed 2.50 crore, and annual turnover does not exceed ₹10.00 crore.
- Small Enterprise: where the investment in plant and machinery or equipment does not exceed 25.00 crore and annual turnover does not exceed 100.00 crore.
- Medium Enterprise: where the investment in plant and machinery or equipment does not exceed 125.00 crore, and annual turnover does not exceed 500.00 crore.

This definition allows firms to scale while retaining access to incentives such as market and export support, public-procurement preference, and schemes like MSE-CDP, PMEGP and SFURTI. Udyam Registration, launched in July 2020, made MSME registration fully online and self-declared, cutting time and cost. As on 10 Dec 2025, Himachal Pradesh had 3,22,860 Udyam units (77.30% micro). Key constraints to credit and growth include weak marketing, raw-material shortages (especially in handloom), and limited cluster integration with larger industry. Suggested measures include setting up urban/semi-urban haats, leveraging tourism to promote traditional crafts and linking skilled trainees to bank credit.

### **MSME – Working Capital & Investment Credit**

The revised characterization of MSMEs is poised to foster their expansion and advancement. This adjustment is expected to generate economies of scale, thereby boosting productivity, while ensuring that MSMEs continue to benefit from various government incentives. These incentives encompass market assistance, support for exports, preferential procurement in the public sector, as well as advantages under programs like the Micro Small Enterprises-Cluster Development Programme (MSE-CDP), PMEGP, and Scheme of Fund for Regeneration of Traditional Industries (SFURTI), alongside the facilitation of information technology ecosystems. This supportive framework is designed to encourage healthy competition and prevent stunted growth among MSMEs.

### **State Government’s Initiatives for MSMEs**

Recognising these challenges, the Himachal Pradesh government has kept a focus on Rural Industrialization and MSMEs through the Raising and Accelerating MSME Performance (RAMP) Programme with implementation of eight interventions. Key focus areas include Greening of MSMEs, SMART MSMEs, Rural Industrialization, Setting of Pre-Incubators, Social Inclusion for Women and SC Entrepreneurs.

To strengthen the ease of doing business for aspiring MSMEs, the State Government has implemented substantial measures under the MSME Facilitation Act, ensuring smoother regulatory processes and faster service delivery. In addition, the State’s Single Window System now offers 180 services across 30 departments, significantly enhancing accessibility and transparency for entrepreneurs. Demonstrating its commitment to reform excellence, Himachal Pradesh has also been recognized in the ‘Top Achievers’ category for outstanding performance in Construction Permit Enablers, Health Sector Reforms, and Service Sector Reforms, aligned with the comprehensive BRAP 2024–25

framework consisting of 434 reform points across Central and State-specific action areas.

As the quality is a critical aspect for MSMEs to compete in the global world, the state government is developing a Pharma Testing Lab and a Contract Research Organization (CRO) for pharma formulation in BBN Area, which is the Hub for Pharma formulation with more than 600 pharma units,

The State Government will be developing 2 new Technology Extension Centres with a grant in aid from the MoMSME for making the MSMEs more competitive. Also, the State government is in process of submitting 16 DPRs amounting ₹178 Cr for setting up Common Facility Centre for the manufacturing clusters to the MoMSME under the MSE-CDP scheme.

NABARD, through its Gramya Vikas Nidhi, trains rural youth in emerging and in-demand trades to enhance their skills and employment opportunities.

**Credit Potential Estimation** - The credit potential of ₹23,827.72 crores have been envisaged under MSME sector for 2026-27.

### **Issues & Challenges**

- The unemployment rate in the State is very high, particularly among the educated youth pointing towards the need to promote more market-specific skills and education.
- Micro enterprises suffer from lack of technology quality, branding and standardization, affecting their competitiveness and profitability.
- Lack of adequate requisite raw material is major impediment for setting up of small, medium enterprises in the State.
- Industrial estate host array of industries which limits the benefits of economies of scale, backward integration, market visibility and common facility centres.
- Value chains in agro-based industries are missing for exploiting the local raw material and market.
- Delay in receipt of incentives under GoI and State Govt schemes affecting the financial viability and repayment behavior of entrepreneurs.

### **Action Points:**

- Organizing handicraft-based activities into clusters, providing design support, branding, concessional and easy access to finance and establishing market linkages.
- DIC may conduct a survey for identification of potential blocks/ areas and barriers for development of the sector. Mapping of location specific activities for cluster development at the block level may be taken up.
- The development and enhancing the soft skills of the entrepreneurs in tourism will be the key driver in promoting this sector.

- Commodity/ Industry specific industrial estates and / value chains can be established for backward and forward integration.

#### 4.4 Export Credit

Himachal Pradesh has strong potential for export credit, with GSDP around ₹2.10 lakh crore in 2023-24 and real growth projected at 6.7% in 2024-25, while merchandise exports are about ₹19,200 crore. The state ranked 1st among Himalayan states in NITI Aayog's Export Preparedness Index 2022, reflecting a supportive export ecosystem. The Himachal Pradesh Merchandise Export Promotion Policy 2023, aiming for exports worth ₹50,000 crore by FY2027, further emphasizes the strategic focus on expanding the state's export capabilities.

The State emerges as the manufacturing hub for pharmaceuticals, handicrafts, textiles, light engineering goods, health, power, telecom, and information technology. The top item for exports from Himachal Pradesh is pharmaceuticals. This is majorly attributed to the presence of Baddi-Barotiwala-Nalagarh (BBN) industrial area which has about 650 pharma units. The thriving sector of Pharmaceuticals indicates a substantial demand for export credit to facilitate the growth of pharmaceutical exports. By providing tailored financial solutions to pharma exporters, credit institutions can significantly enhance the state's export volumes and profitability.

Himachal Pradesh's diverse export potential in agriculture, pharmaceuticals, and tourism presents opportunities for export credit, which can drive economic growth, improve global competitiveness, and foster long-term resilience.

#### Export Target for Himachal Pradesh

Exim Bank Study estimates the merchandise export potential for HP in the range of US\$ 3.5-5 billion, depending on various scenarios, by FY 27. There is a significant range of untapped exports from Himachal Pradesh and realizing this potential could take Himachal Pradesh to an export figure of over US\$ 3.5 billion soon.

**Credit Potential Estimation** - The potential of ₹16.31 crore is envisaged for export sector for the FY 2026-27.

#### Challenges in Export Credit:

- Lack of export avenues in the State.
- **High Financing Costs:** Exporters often face higher interest rates on export credit compared to domestic credit, which affects their competitiveness in global markets.
- **Poor Product Quality:** The inability to consistently meet international quality standards remains a major barrier for exporters, limiting their access to global markets.

- **Lack of Extension Services:** A lack of adequate extension services and guidance on improving production techniques and marketing strategies making it challenging for exporters to scale up operations and meet export demands.

#### **Action Points for Government and Banks:**

- To boost exports, the state can promote niche apple varieties such as McIntosh, Granny Smith, and Tydeman's Early, along with adopting successful export models like Washington Apples.
- Investments in logistics and refrigeration via the Himachal Pradesh Horticulture Produce Marketing & Processing Corporation (HPMC) can further enhance export volumes, supported by export credit.
- Additionally, the Inland Container Depot (ICD) in Baddi faces infrastructural issues, such as a lack of rail connectivity and insufficient equipment. Upgrading ICD Baddi with financial backing from export credit will improve export operations and efficiency.
- The government could provide interest rate subsidies or financial incentives to make export credit more affordable for small and medium exporters.
- Organize training and awareness campaigns for MSMEs on how to access export credit, including the benefits of schemes like EXIM Bank's export finance and insurance products.
- Export facilitation centre may be setup to guide entrepreneurs on export requirements of their products.

#### **4.5 Education**

According to the 2011 Census, Himachal Pradesh's literacy rate stood at 82.80%, surpassing the national average of 74%. The male literacy rate was 89.53%, while female literacy was 75.93%. By 2019-21, as per the National Family Health Survey (NFHS)-5, the literacy rate had risen to 93.3%, with male literacy at 94.9% and female literacy at 91.7%, reducing the gender gap to 3.2%. On 8th September 2025, HP has been declared as "Fully literate" state, which demonstrates the state's commitment towards educational literacy.

Education remains the top focus of the State government. There are 11,085 Primary, 2677 Middle, 1728 High and 2538 Senior Secondary Schools in public & private sector. Besides, Government also runs 148 Degree Colleges.

#### **Issues and Constraints:**

- **Low Educational Expenditure:** Education is largely state-sponsored, but the share of GNP allocated to education remains low, limiting funding for loans.
- **Job Market Concerns:** Despite growing awareness of the importance of education, many students hesitate to take loans due to uncertainties in the job market after graduation.

- Limited Resources in Rural Areas: Low student numbers in some schools hinder the deployment of subject teachers, affecting educational quality and loan demand.

**Suggested Action Points:**

- The state should collaborate with private sector and financial institutions to setup State of art education infrastructure in the State.
- Awareness campaigns can help students understand loan options and simplify the loan application process.

**Credit Potential Estimation** - The total projected potential is ₹410.77 crore for the year 2026-27.

**4.6 Housing**

Government of Himachal Pradesh through the Housing and Urban Development Authority (HIMUDA) is providing houses, flats and plots of various categories to meet the housing demand of the people of various income groups. HIMUDA proposes to develop new housing colonies in Dharamshala, Sohala (Sirmaur), Chettrra (Una) and a commercial complex in Shimla. An estimated 938 plots, 1,455 flats and 23 cottages would come up in these colonies. Apart from above HIMUDA has submitted a Detailed Project Report (DPR) for setting up a Mountain Township at Jathia Devi (Shimla Hills) with the Ministry of Housing and Urban Affairs (MoHUA) Government of India (GoI) having estimated project cost of ₹1373.44 crore. Construction works of Housing colonies at Sanauli, Sproon, Sheel (Solan), Dharampur (Solan), Parwanoo, Nalagarh, Dehra, Dhoundi (Mandi) and Rajwari (Mandi) are in progress.

**Interventions by State Govt.**

Himachal Pradesh has 60 Urban Local Bodies (ULBs), including Municipal Corporations in Shimla, Dharamshala, Solan, Mandi, and Palampur. The Government is providing grants-in-aid every year to these local bodies to enable them to provide civic amenities to the general public. The revised budget estimates of HIMUDA for the financial year 2025-26 amount to ₹125.38 crore.

**Credit potential:** The potential of ₹ 1692.49 crore been envisaged for 2026-27.

**Issues and Constraints**

- Long gestation period of six to eight years of housing projects, accentuated by multiple approvals to be obtained from multiple authorities in a two to three-year time period needs to be simplified.
- Rising land cost, spiralling construction costs & inadequate availability are affecting the sector, requiring innovative credit delivery models.
- Section 118 of HP Tenancy and Land reforms Act 1972 is a major hurdle for housing sector under private sector.

### **Action Points for Government and Banks**

- Focus on Housing need to move from “access to shelter” to “access to habitat” implying access to civic infrastructure as well as livelihood and community infrastructure such as angan wadis, primary health centres, etc., will create an opportunity for unleashing the human potential of families to pursue a quality of life with dignity.
- Addressing the issue pertaining to section 118 of HP Tenancy and Land reforms Act will give fillip to the housing sector.

### **4.7 (i) Social Infrastructure**

Social infrastructure in Himachal Pradesh largely relies on public investment, with limited private participation due to small project sizes, economic viability and challenging terrain. The State has an extensive network of health and education institutions, ensuring broad outreach; however, gaps persist in quality and staffing, particularly in remote and hilly regions, contributing to out-migration. Despite high literacy levels (93.3% as per NFHS-5), infrastructure modernisation in education and healthcare remains a priority. Rural areas continue to face deficits in safe drinking water, sanitation, and sewage systems. Strengthening rural health facilities, upgrading educational infrastructure, and improving water and sanitation systems are key opportunities. RIDF support and convergence with PM Gati Shakti can be leveraged by the State, while banks may enhance credit flow to viable social infrastructure projects in rural and semi-urban areas.

**Credit Potential Estimation** - Considering the infrastructure available and likely to be made available, the credit potential of the sector has been assessed at ₹111.58 crore for FY 2026-27.

#### **Issues and Constraints:**

- Limited funds and competing priorities often result in inadequate funding for social infrastructure projects.
- Rural sanitation and hygiene have emerged as a big challenge. Pay and use toilets concept in the rural sanitation segment needs to be promoted.
- Government should extend tax holiday/ interest subvention on establishment of health care units in the rural areas.

#### **Action Points for Government and Banks:**

##### **Government Action:**

- Allocate higher budgets for improving healthcare, education, and sanitation, especially in rural and underserved areas.
- Invest in the training for teachers, healthcare workers, and other essential service providers.

- Encourage collaboration between the government and private sector to leverage additional funding for social infrastructure.

**Bank Action:**

- Bank may finance municipal corporation for waste management schemes and GoHP may provide guarantee.

**(ii) Renewable Energy**

Himachal Pradesh is a net exporter of power, with its entire electricity generation sourced from renewables, predominantly hydropower. The State has harnessed about 11,290 MW out of an estimated 24,000 MW hydropower potential and is diversifying into solar, small hydro, and green hydrogen to achieve its vision of becoming a Green Energy State. Emerging initiatives in green hydrogen, green ammonia, large-scale solar, hybrid projects and capturing geo thermal energy in hot springs indicate strong future potential, supported by a robust transmission network. Key constraints include limited awareness among beneficiaries regarding renewable technologies and financing schemes, and inadequate local supplier and service networks. Priority areas include decentralised solar energy production, renewable energy-based irrigation, pine-based biomass production and clean mobility solutions. Strengthening awareness through HIMURJA and IREDA, expanding local vendor capacity for clean energy projects are essential to improve credit flow and sectoral growth.

**Credit Potential Estimation** - The total credit potential under renewable energy for 2026-27 has been estimated at ₹112.11 crore.

**Issues and Constraints:**

- Due to large number of NPAs, banks hesitate to finance hydro power project. • Large-scale renewable energy projects require vast amounts of land, and securing such land can be challenging due to environmental, regulatory, and social factors.
- The level of awareness among various stakeholders about the need for usage of renewable energy are to be addressed.
- Off-grid solar projects may be encouraged in remote villages for electrification and farm energy requirements.
- Long gestation period and long term PPAs hinders the private investment.

**Action Points for Government**

- Support research into improving renewable energy technologies, including efficient solar panels, wind turbines, and energy storage technologies

**Action Points for Banks:**

- Banks need to offer financing options for renewable energy projects, especially for infrastructure development and energy storage.

- Bank may popularise solar rooftop scheme coupled with housing loan.

#### 4.8 Informal Credit Delivery

HP's credit potential under ancillary activities is driven by schemes promoting financial inclusion and social equity, including PMJDY-linked credit, support to State organizations for SC/ST welfare, and financing of SHGs/JLGs. Strengthening SHG–Bank Linkage, concessional NRLM refinance, and convergence with government programs remain essential, especially in areas lacking granular data. While progress is evident, gaps in awareness and timely access persist, underscoring the need for enhanced financial literacy, wider digital adoption, and better coordination among banks and implementing agencies.

Under Other Priority Sector, major activities include SHG financing, PMJDY loans, small consumption credit, and assistance to distressed farmers and SC/ST beneficiaries. Key constraints remain low awareness, lack of collateral, and processing delays. Recommended actions include prioritizing SHG/JLG lending, supporting agripreneurs, and deepening credit flow in MEDP/LEDP-focused areas. NABARD facilitates these efforts through targeted grants—₹2,000 per JLG, ₹1.50 lakh for MEDPs, and up to ₹9.60 lakh (farm) and ₹10.80 lakh (off-farm) for LEDPs.

The SHG-Bank linkage Programme (SHG-BLP), initiated by NABARD in 1992, aims to provide financial services to disadvantaged & low-income groups. It connects SHG with formal banking systems, empowering the poor by giving them access to hassle-free credit. As per DAY-NRLM Bank Linkage mapping report, NRLM's national bank linkage analytics show that there are 54,141 SHGs in the state that are holding valid savings bank accounts (deposit linked), of which 18,780 SHGs are credit linked through mapped loan accounts with loan Outstanding at ₹395.26 crore. As per HP Economic Survey, there are total 15,765 Joint Liability Groups (JLGs) formed and financed with total loan amount disbursed at ₹95.58 crore. JLGs are informal groups of 4-10 individuals who come together to access loans based on mutual guarantees. Under this, in the current FY 2025-26, a project for formation and credit linkage of 250 JLGs amounting ₹5.00 lakh has been sanctioned. Despite good credit potential and JLG promotion, issues like informal borrowing and digital gaps persist.

**Credit Potential Estimation** - The potential of ₹1,444.04 crores have been envisaged for FY 2026-27.

#### Issues and Constraints:

- Despite progress, the rural population in HP still rely on informal credit sources like moneylenders, which come with high-interest rates & exploitative terms.
- Many SHGs & micro-enterprises lack financial literacy & proper training in managing finances, which impacts the effective use of credit & hinders their long-term success.

**Action Points for Government:**

- Implement extensive financial literacy campaigns targeting SHG members & rural communities to improve loan repayment rates & promote better financial management.
- Provide more training & technical support to SHGs, focusing on management, financial record-keeping & entrepreneurial skills to ensure sustainable growth.

**Action Points for Banks:**

- Use of digital lending platforms to provide quick credit to SHG/JLGs.
- Supporting marketing infrastructure of SHG/JLGs.

## Chapter 5

### Status and Prospects of Cooperatives

#### 5.1. Background

Cooperatives are autonomous associations of individuals who voluntarily come together to meet common economic, social, and cultural needs through a jointly owned and democratically controlled enterprise. Today, India is home to the largest cooperative movement in the world, with over 8.5 lakh cooperatives serving 29 crore members.

#### 5.2 Status of Cooperatives in the country

As of December 22, 2025, the National Cooperative Database (NCD) portal reports a total of 8,50,543 cooperatives across India. These include 8,46,482 primary cooperatives, 1,270 state cooperatives or federations, 1,785 multistate cooperatives and 20 national Cooperative or federations. The sector is further supported by 20 cooperative education and training (E&T) institutes. Additionally, there are 910 rural cooperative banks, 1,469 urban cooperative banks (UCBs), and 76 MSCS Urban cooperative banks (MSCS-UCBs). This data underscores the extensive network and diversity of cooperatives in the country, highlighting their role in promoting socioeconomic development and financial inclusion. Cooperatives contribute significantly to sectors like milk production (through entities like AMUL), sugar production, and fertilizer production. However, the sector continues to grapple with persistent challenges, including a deficit in professionalism, susceptibility to politicization, suboptimal adoption of technology, and insufficient capacity-building initiatives.

#### 5.3 Formation of Ministry of Cooperation by GoI

The Ministry of Cooperation was established via Cabinet Secretariats Gazette Notification on 6 July 2021 by transferring cooperative related functions from the erstwhile Ministry of Agriculture, Cooperation and Farmers Welfare. Headed by Shri Amit Shah, the Ministry is administratively led by the Secretary, Cooperation, supported by one Additional Secretary, two Joint Secretaries, and the Central Registrar of Cooperative Societies. It provides a dedicated administrative, legal, and policy framework to strengthen the cooperative movement, aiming to build a grassroots, member driven economic model. Key initiatives include enhancing ease of doing business for cooperatives, promoting multistate cooperative societies, and driving transparency, modernization, and inclusivity under the vision of Sahakar se Samriddhi.

#### 5.4 Latest initiatives by Ministry of Cooperation (MoC), GoI

MoCs Model Byelaws (circulated to States/UTs on 5 Jan 2023) aim to make PACS/LAMPS viable, transparent and multipurpose, enabling 25+ activities (dairy, fisheries, warehousing, etc.). The plan for establishment of 2 lakh new multipurpose Primary Agricultural Credit Societies (MPACS), dairy and fishery cooperative societies was approved by the Union Cabinet on 15 February 2023, following announcements made in Union Budget 2023–24. Under this, 2 lakh new multipurpose

PACS/Dairy/Fishery societies would be formed in uncovered panchayat over 5 years. The Cabinet approved Worlds Largest Grain Storage Plan in Cooperative Sector (31 May 2023) supports decentralised storage and allied Agri infrastructure at PACS. PACS can function as CSCs (300+ eservices) under a MoU among MoC, MeitY, NABARD & CSCSPV. PACS are prioritised for LPG distributorship and petrol/diesel retail outlets, and can open Jan Aushadhi Kendras, act as fertiliser retailers/PMKSK, and converge PMKUSUM at PACS level for solar plants/solar pumps.

### 5.5 Status of Cooperatives in the State

In the present statutory framework, cooperative societies in the State are regulated under the Himachal Pradesh Co-operative Societies Act, 1968 read with the Himachal Pradesh Co-operative Societies Rules, 1971, which collectively govern registration, governance, audit, inquiry, dispute resolution, and liquidation, under the supervision of the competent State cooperative authorities.

**Cooperative Societies Network:** As per the National Cooperative Database (NCD) Portal, as on 22 December 2025, the district wise position of cooperatives is as follows:

S.No	District	PACS/ FSS/ LAMPS	Dairy Coops	Fishery Societies	Other Societies	Total Societies	Total Members (Lakhs)
1	Bilaspur	88	21	40	74	223	1.07
2	Chamba	162	12	5	91	270	0.64
3	Hamirpur	227	29	0	54	310	2.05
4	Kangra	614	191	16	337	1158	5.36
5	Kinnaur	35	1	0	60	96	0.19
6	Kullu	141	250	1	339	731	0.42
7	Lahaul and Spiti	52	3	0	73	128	0.16
8	Mandi	243	387	5	235	870	2.06
9	Shimla	197	94	2	441	734	1.05
10	Sirmaur	128	59	0	128	315	0.92
11	Solan	178	17	3	253	451	1.24
12	Una	232	23	5	128	388	2.61
	<b>TOTAL</b>	<b>2297</b>	<b>1087</b>	<b>77</b>	<b>2213</b>	<b>5674</b>	<b>17.77</b>

These societies cater to different sections of society and undertake varied activities viz. Agricultural activities (including Bee Keeping, dairy and fishery), running consumer credit stores, thrift and savings, handicraft and handloom, housing, marketing, and tourism, transport.

**Details of Affiliation of PACS in HP:** Out of a total of 2287 PACS, 1757 PACS are affiliated with DCCBs/StCB. The district wise and bank wise breakup of these PACS is as follows:-

<b>District</b>	<b>Bank with which affiliated</b>	<b>Affiliated PACS</b>	<b>Non-Affiliated PACS</b>	<b>Undertaking Credit operations</b>	<b>PACS sanctioning KCC</b>	<b>Total PACS</b>
Bilaspur	HPStCB	81	7	61	39	<b>88</b>
Chamba	HPStCB	130	32	20	12	<b>162</b>
Kinnaur	HPStCB	34	1	02	6	<b>35</b>
Mandi	HPStCB	197	46	49	35	<b>243</b>
Shimla	HPStCB	168	29	05	5	<b>197</b>
Sirmaur	HPStCB	76	52	50	45	<b>128</b>
<b>Total for HPStCB</b>		<b>686</b>	<b>167</b>	<b>187</b>	<b>142</b>	<b>853</b>
Hamirpur	Kangra DCCB	224	3	225	4	<b>227</b>
Kangra	Kangra DCCB	324	290	582	22	<b>614</b>
Kullu	Kangra DCCB	139	2	10	0	<b>141</b>
Una	Kangra DCCB	224	8	217	5	<b>232</b>
Lahaul & Spiti	Kangra DCCB	0	52	0	0	<b>52</b>
<b>Total for KCCB</b>		<b>911</b>	<b>355</b>	<b>1034</b>	<b>31</b>	<b>1266</b>
Solan	Jogindra DCCB	160	18	120	12	<b>178</b>
<b>Total for JCCB</b>		<b>160</b>	<b>18</b>	<b>120</b>	<b>12</b>	<b>178</b>
<b>TOTAL for the State</b>		<b>1757</b>	<b>540</b>	<b>1341</b>	<b>185</b>	<b>2297</b>

**Services provided by the PACS/LAMPS/FSS:** The 2297 PACS/LAMPS/FSS in the state are undertaking many activities. The major activities undertaken by them are Credit, management of Public Distribution System, distribution of fertilizers, Consumer Stores, Electronic Stores and working as Common Service Centres. The status of other services provided by PACS is as under:

### Overall status

Sr No	Description	Number
1	No. of PACS which have reported data	<b>2080</b>
2	PACS having Fair Price Shop (PDS)	<b>1965</b>
3	PACS undertaking procurement operations	<b>79</b>
4	PACS distributing Fertilizer	<b>1052</b>
5	PACS distributing Pesticides	<b>19</b>
6	PACS distributing Seeds	<b>86</b>
7	PACS working as Common Service Centre (CSC)	<b>1025</b>
8	PACS working as PMKSK	<b>696</b>
9	PACS as PM Jan Aushadhi Kendras	<b>8</b>
10	PACS as FPOs	<b>4</b>

**Credit operations by PACS in the State:** The PACS are using deposit base for issuing credit to its members. The present rate of interest to its members varies from 10-12% depending upon the purposes. This credit offtake is not being captured by the banking system of the state. The year-wise disbursements are presented as below:

(Rs. In Crore)

Year	Amt. disbursed
2021-22	657
2022-23	1095
2023-24	700

Besides these the disbursements by nonagricultural cooperative societies to their members in last 3 years is presented as under:

(Rs. In Crore)

Year	Amt. disbursed
2021-22	73
2022-23	232
2023-24	302

### 5.6 World Largest Grain Storage Project in Cooperative sector

Two PACS have been identified in Himachal Pradesh for implementation of the World's Largest Grain Storage Plan in the Cooperative Sector, viz. The Dabla Cooperative Agricultural Service Society (CAS), Bilaspur (3,000 MT) and The Rounkhar CAS, Una (2,500 MT). Of these, The Dabla CAS, Bilaspur has been approved by the District Cooperative Development Committee (DCDC) and capacity of 3,000 MT stands approved. Hiring assurance is yet to be received. Further, Raunkhar PACS, Una did not have adequate land. As section 118 of Land Revenue Act of HP prohibits any purchase / lease of land to outsider, which also includes PACS, the PACS cannot purchase land for the project. As an alternative, it was decided that revenue land in a Basal area of Una district be transferred to Cooperative department which can then leased to the PACS. However, the issue is stalemate and under protracted correspondence at district and Commissionerate level.

## 5.7 Formation of New MPACS

### Targets as per Margdarshika

State	NABARD		STATE GOVERNMENT					Total
	Phase I	Phase II	2024-25	2025-26	2026-27	2027-28	2028-29	
Himachal Pradesh	115	499	56	56	56	56	54	892

As on 22nd December 2025, District wise Status of new multipurpose cooperatives i.e. cooperatives formed after 15th February 2023 is as follows:

Sr No	Description	MPACS (PACS+FSS+LAMPS)	Dairy Coop Societies	Fishery Coop Societies
1	Number formed	108	679	6
2	GP/Location Covered	108	576	6
3	Membership	4,537	9,639	124

### Year-wise breakup of formation of New MPACS (after 15.02.2023)

Financial Year	No. of MPACS formed
2022-23*	2
2023-24	26
2024-25	60
2025-26 (up to 22.12.2025)	20
<b>Total</b>	<b>108</b>

\*From 15th Feb 2023 to 31st March 2023.

### Major Issues in formation of New PACS in HP

- Financial viability of the PACS can be attained only when it has around 300-400 members base. This ensures provision of various services including credit to the members.
- Low membership base in the newly formed MPACS is major area of concern as presented in the table below.

Number of members	Number of Societies
10 & 11	53
>100	13

*As per Section 7(2)(b) of the Himachal Pradesh Co-operative Societies Act, 1968, the minimum number of members required to register a cooperative society is **ten individuals**, each from a different family.*

- Affiliation with Cooperative Banks: As on date only 12 out of total 108 MPACS have been affiliated with banks owing to low membership and corpus fund.

## Computerisation of Primary Agriculture Cooperative Societies

The Centrally Sponsored Project for Computerisation of PACS (CSPCP) was approved by the Government of India on 29 June 2022 for five years (2022–23 to 2026–27) with the objective of modernising PACS to improve efficiency, accountability, transparency, and profitability, and to standardise operations through a Common Accounting System (CAS)/MIS. The project also aims to transform PACS into multi-service entities providing financial and non-financial services (including agriculture and allied activities), strengthen linkages with higher-tier institutions and government departments, support accurate DBT delivery, enable doorstep banking, and promote cashless transactions through digital acceptance infrastructure such as POS/mPOS/QR readers/Green PIN/BHIM Aadhaar Pay in PACS-run outlets (e.g., fertiliser shops). The scheme targets 63,000 PACS/LAMPS and provide for one common ERP software for all PACS (customisable for state needs) created by NLPSV, System Integrators (SIs) to support digitisation, migration, customisation inputs, and handholding.

At the All-India level, the total estimated cost is ₹2,516 crore, shared by GoI (₹1,528 crore), State Governments (₹736 crore), and NABARD (₹252 crore). In Himachal Pradesh, 1,789 PACS have been selected in the first two phases; with outlay of ₹58.98 crore (GoI: ₹47.78 crore; State Govt.: ₹5.31 crore; NABARD: ₹5.89 crore).

As of 22 December 2025, the Status of PACS Computerisation in HP is as follows:

### Overall Status of CSPCP in HP

	Sanctioned PACS	DCT Completed	ERP Go-Live	Day end completed	T-14	T-1	Audit completed	HOC uploaded
Phase I	870	853	729	777	39	11	531	331
Phase II	919	531	420	500	18	2	57	382
Total	1789	1384	1149	1277	57	13	588	713

#### 5.8.1 Key issues pertaining to CSPCP implementation in HP:

- i. **Inadequate Deployment of SI Manpower** The System Integrator (SI) has consistently failed to deploy sufficient field manpower. As of 22nd December 2025, only 109 field level resources were deployed against a requirement of 179 (1:10 ratio of manpower to PACS). This shortage is the primary driver for delays in Data Conversion (DCT), Go-Live, and Handover Certificate (HOC) uploads, particularly in the Kangra and Hamirpur districts.
- ii. **Lack of Digital Proficiency among PACS Secretaries:** Majority of secretaries are aged and lack computer skills have led to reluctance in adopting the computerization programme. To overcome the state is contemplating hiring of Data Entry Operators (DEOs) on a temporary basis to manage daily entries until secretaries become proficient.

- iii. **Lack of Stable Internet Connectivity at PACS:** Ensuring reliable internet connectivity at the PACS level remains a critical hurdle. The RCS office/State Government is not in favour of a centralized billing arrangement for internet connectivity.
- iv. **Critical Lag in On-System Audits** Progress on the On-System Audit is alarmingly slow, jeopardizing the transition of PACS with cut-off date 31.03.2023 to "ePACS only" status.
- v. **Failure to Update Critical Asset & Location Data:** The SI has failed to update essential governance and asset information in the ERP. Critical data points such as hardware asset details, PACS registration certificates, and geo-tagging (latitude and longitude) are missing for a large number of societies, despite this being a contractual obligation mandated by the SLA and Scheme Guidelines.
- vi. **Unreconciled Amounts and Auditor Authorization** There are 79 PACS in the state holding unreconciled amounts. Although Board resolutions regarding these reconciliations have been uploaded to the Coops India portal, they still remain unauthorized by the auditors. This hampers transition of these PACS to ePACS status.
- vii. **Reluctance to Sign Handover Certificates (HOC)** PACS Secretaries are displaying significant reluctance to sign Handover Certificates (HOC). This hesitation stems from a fear of post-handover accountability and responsibility for the data entered, requiring administrative intervention and assurance from the Department.
- viii. **Training Absenteeism and Cancellation:** Capacity building is being hindered by the non-cooperation of PACS officials. There have been instances where entire training batches had to be cancelled at the last minute due to non-attendance by PACS staff, wasting resources and delaying the project's adoption.

### 5.9 Computerization of ARDB

Particulars	Current Status
Sanctioned Units	88
Units under Tender	88
Hardware Delivery and Installation status	Completed for all 202 Hardware Units
System Integrator Onboarding Status	Completed
Onboarding of HPSCARDB on the coopsindia Portal	HPSCARDB has been onboarded on the coopsindia portal and KPARDB has been onboarded under HPSCARDB HO on the coopsindia portal.

### 5.10 Way Forward

Strengthening the cooperative sector requires greater legal autonomy, capacity building, and faster computerisation with digital literacy. It should also promote youth participation, and build private partnerships, including adopting a model HR policy for PACS for professional management.

## Chapter 6

### Infrastructure Support

#### 6.1 Introduction

Infrastructure investment enhances productivity, income and employment generation through strong multiplier effects. In rural areas roads, irrigation, drinking water, storage, health and education infrastructure directly improve farm and non-farm productivity. Empirical evidence shows a strong correlation between infrastructure availability, per capita income and poverty reduction. In Himachal Pradesh infrastructure assumes added significance due to topographical constraints, climatic variability and limited industrial base. Timely creation and maintenance of rural infrastructure is therefore critical for improving credit absorption capacity, labour efficiency and resilience of livelihoods. India needs about USD 5.3 trillion in infrastructure investment by 2030 to meet UN Sustainable Development Goals. Strong rural infrastructure means modern agriculture, efficient irrigation, renewable energy, quality education and healthcare, and easier market access. These improvements boost production, consumption, and trade, creating sustainable livelihoods. With innovative financing like PPPs and green bonds, and a focus on digital connectivity, India can close the investment gap and unlock inclusive growth.

#### 6.2 Rural Infrastructure

NABARD has remained committed to fostering rural prosperity by channelling credit and investments into rural development. A landmark initiative was the launch of the Rural Infrastructure Development Fund (RIDF) in 1995, which continues to drive infrastructure growth across India. By 31 March 2025, projects worth ₹5.95 lakh crore, including ₹18,500 crore under Bharat Nirman, have been sanctioned nationwide. In Himachal Pradesh 90 per cent of the State's population resides in rural areas and is largely dependent on agriculture and horticulture. The State's mountainous terrain low population density and short working season increase per-unit infrastructure costs and extend implementation timelines. Maintenance challenges are further accentuated by snow, rainfall variability and landslides. Despite these constraints, sustained investment in rural infrastructure remains essential for job creation, modernization of agriculture, improved service delivery and reduction in regional disparities.

#### 6.3 Rural Infrastructure Development in the State

NABARD's financing under RIDF now covers 39 eligible activities across agriculture, social sector and rural connectivity. Under RIDF XXXI (2025-26) the State was sanctioned ₹512.31 crore for construction of 50 rural roads and 05 rural bridges having a total road length of 398.04 km and bridges length of 421.93 m. Further an irrigation potential of 1811.47 ha shall be created with a loan assistance ₹104.13 crore in 2025-26.

#### 6.4 Critical Infrastructure Gap

District-wise infrastructure gaps identified through Potential Linked Credit Plans indicate priority needs in irrigation, rural roads, storage, animal husbandry and market

infrastructure. Given fiscal constraints and terrain-related challenges focused investments in high-impact sectors are essential to maximize developmental outcomes and private credit leverage.

#### **6.4.1 Irrigation**

Himachal Pradesh has a total land area of 5.567 m ha however only 0.583 m ha is under cultivation. The State has an estimated irrigation potential of 0.335 m ha with 0.050 m ha irrigated through major and medium irrigation projects while the remaining 0.285 m ha can be irrigated through minor irrigation schemes. As of October 2024, 0.309 m ha are currently irrigated. As on 15 December 2025, NABARD has sanctioned ₹104.13 crore to the State under Irrigation Sector for bringing an area of 1811.47 ha under irrigation. Investments focus on new schemes as well as modernization and augmentation of existing systems. Revitalization of traditional kuhls and promotion of micro-irrigation remain critical for water-use efficiency.

#### **6.4.2 Agriculture, Allied, Land Development & Soil Conservation**

Efforts to improve agriculture and allied sectors include enhancing energy efficiency through upgrading irrigation pumps and promoting renewable energy solutions under the PM-KUSUM scheme. Saur Sinchayee Yojana phase - I for installation of 2449 solar pumps was sanctioned during 2019-20 amounting to RIDF loan of ₹60.32 crore being implemented by Department of Agriculture. Digital infrastructure and Bio-input Resource Centres are supporting natural farming while initiatives like bovine breeding centres, fodder banks and milk marketing structures are strengthening livestock management. In fisheries cold water fish farming including trout farming is being expanded with projects like the Trout Brood Bank in Kullu. These initiatives collectively aim to enhance agriculture, land development and soil conservation. Further the 1.5 LLPD Dairy Processing Plant at Dagwar Kangra (₹200.43 crore) is expected to enhance milk value chains and rural employment.

#### **6.4.3 Warehousing**

Scientific storage and cold chain infrastructure are vital to reduce post-harvest losses in horticulture-dominated Himachal Pradesh. While several godowns have been constructed across districts, integration with grading sorting and testing facilities remains limited. Investments in modern warehousing and cold storage will improve price realization market access and supply chain efficiency.

#### **6.4.4 Animal husbandry/ Dairy development/ Fisheries**

During FY 2024-25 the contribution of livestock, fishery and forestry in agriculture and allied sector GSVA stood at 9.24 per cent, 0.94 per cent and 21.09 per cent respectively. Livestock, fisheries and forestry together provide income stability to small and marginal farmers. NABARD supports dairy processing, fisheries, training and infrastructure development through RIDF and FIDF interventions. The Automated Milk Processing Plant at Dagwar (Kangra) and Fisheries Training Centre at Gagret (Una) strengthens milk

value chain and productivity in inland fisheries respectively. Potential infrastructure investments in Animal Husbandry include projects for self-sufficiency in milk production, poultry (broiler and layer), hatcheries, cattle feed production, and veterinary dispensaries.

#### **6.4.5 Power**

The State is transitioning towards becoming a Green Energy State with the progressive e-vehicle policy earmarking 80 locations for EV charging stations in the initial phase. Under RIDF XXX proposal on EV Charging Infrastructure with an RIDF assistance of Rs.110.95 crore was accorded sanction. Renewable energy investments by the State support sustainable mobility tourism and employment generation. The government has signed MoUs for Green Hydrogen and Ammonia Projects attracting an investment exceeding ₹4000 crore creating over 3500 employment opportunities. The 32 MW, ₹220 crore solar power plant in Pekhubela has started production and is fully operational with expected power generation of 34.19 million units of electricity. The State Government is considering to support Gram Panchayats in Ground Mounted Solar Power Plants for increasing renewable energy production in the State.

#### **6.4.6 Social Infrastructure**

Social infrastructure investments in healthcare education, sanitation and drinking water supply improve human capital and quality of life. NABARD has supported schools, sewerage and water supply schemes in the State through RIDF. Under RIDF XXXI, 08 schemes for Sewerage & Rural Drinking Water Supply were sanctioned with loan assistance of ₹92.51 crore to the State. Further landmark projects such as the Mata Baglamukhi Ropeway located along the Chandigarh-Manali National Highway connecting Pandoh with the temple in Bakhli enhance accessibility and religious tourism.

### **6.5 Infrastructure Support under RIDF**

Under RIDF, NABARD has sanctioned 7597 projects with assistance of ₹13589.77 crore in last 31 tranches. Infrastructure projects span across agriculture, social sector and rural connectivity including roads, bridges, irrigation, drinking water, education, animal husbandry, ropeways and EV charging infrastructure. Further under RIDF XXXI, 73 projects amounting to ₹713.87 crore were sanctioned to the State. Under rural connectivity proposals for 55 rural roads and bridges were sanctioned involving an RIDF loan of ₹512.31 crore to construct a total road length of 398.04 km and 421.93 m respectively. Under irrigation sector, NABARD has sanctioned proposals worth ₹104.13 crore to the State benefiting a command area of 1811.47 ha. Under social sector 08 sewerage and Drinking Water Supply schemes with loan of ₹ 92.51 crore have been sanctioned in FY 2025-26.

### **6.6 Infrastructure Support under Warehouse Infrastructure Fund (WIF)**

The fund envisages extension of loans to Public and Private sectors for construction of warehouses, silos, cold storages and other cold chain infrastructure. WIF would be

utilized for meeting the growing demand for scientific storage capacity for agricultural commodities in the State. Under WIF, an amount of ₹ 8.55 crore has been sanctioned to State Government as on 15 December 2025.

### **6.7 Infrastructure support under Food Processing Fund (FPF)**

Food Processing Fund with corpus of ₹2000 crore was established in NABARD in 2014-15. Financial assistance from this Fund is provided by NABARD either directly or through consortium arrangements with other financing agencies for establishing the Mega Food Parks and also for setting up of individual food/ agro processing units in the designated Food Parks and Mega Food Parks to provide impetus to development of food processing sector on cluster basis in the country. In the State, there are 23 designated food parks sites including 01 Mega Food Park, 01 Agro Processing Cluster, 01 Bank technology park, 8 Industrial Estates, a total of 16 cold chain projects are ongoing out of which 11 are completed. The project viz. M/s Cremica Mega Food Park Pvt. Ltd has been set up at Singha Village in Una district with investment of about ₹102.73 crore was supported by NABARD through FPF. In the State, NABARD has sanctioned a loan of ₹40.22 crore to the unit from the Food Processing Fund to M/s Cremica Mega Food Park Ltd Una.

### **6.8 Infrastructure support under Long Term Irrigation Fund (LTIF)**

This Fund was created by GoI for tracking the completion of the 99 identified Medium and Major Irrigation projects, spread across 18 states, in mission mode. Under LTIF, NABARD provides loans towards Central share as well as State share with a tenor of 15 years. The central share is provided to National Water Development Agency (NWDA), an agency working under the aegis of MoWR, RD & GR, GoI, whereas the loan towards State share is availed by the State Governments.

Ministry of Water Resources, River Development and Ganga Rejuvenation and NABARD signed an agreement to operationalise the Long Term Irrigation Fund (LTIF) to be instituted in NABARD as part of Pradhan Mantri Krishi Sinchayee Yojana (PMKSY). The Fund with an initial corpus of about ₹20000 crore was announced in the Union Budget 2016-17. Corpus raised by way of budgetary resources and market borrowings to fund fast tracking of implementation of incomplete major & medium irrigation projects.

### **6.9 Infrastructure support under Micro Irrigation Fund (MIF)**

Micro Irrigation Fund with corpus of ₹5000 crore has been created with NABARD to facilitate the States in mobilizing the resources for expanding coverage of Micro Irrigation by taking up special and innovative projects and also for incentivizing micro irrigation beyond the provisions available under PDMC to encourage farmers to install micro irrigation systems i.e. top-up subsidy projects. To further strengthen & expand the adoption of Micro Irrigation systems by the farmers in the county for enhancing water use efficiency at farm level a Budget -announcement has been made during the year 2021-22 to double the initial corpus of Micro Irrigation Fund and augment it by another ₹5000 crores.

### **6.10 Infrastructure Support under Fisheries and Aquaculture Infrastructure Development Fund (FIDF)**

The Himachal Pradesh Budget 2024-25 introduced measures to support 13000 fishermen including an 80% subsidy for constructing fishing ponds on 20 Ha. A 'Centre of Excellence' for Carp Fish Farming will be set up in Hamirpur and a Rs. 5 crore Brood Bank will be established at Nalagarh. Fisheries Training Centre at Gagret, Una is being supported under FIDF. PMMSY is launched in HP with the objective of promoting self-employment-oriented and livelihood opportunities in the state in the domain of fisheries. The scheme covers establishment of small Biofloc culture system, small scale backyard ornamental fish rearing unit, establishment of small Recirculatory aquaculture system (RAS), construction of Fish kiosks and construction of new fish ponds including 1 year input cost (0.10 Ha per beneficiary) with subsidy. The credit potential for FY 2026-27 under Fisheries have been estimated at ₹50.85 crore.

### **6.11 Way Forward**

Priority areas include market-oriented agriculture, dairy and fodder infrastructure, climate-resilient irrigation, modernization of APMCs, cold chains, ropeways and tunnels for connectivity and strengthening health education and sanitation infrastructure. Integrated planning, timely execution and outcome monitoring will be critical for maximizing developmental impact from all these interventions. The State must also skill its youth and build a future-ready workforce, requiring state-of-the-art infrastructure. NABARD plays a key role by financing rural infrastructure and agricultural initiatives. Innovative financing products like NABARD Infrastructure Development Assistance (NIDA), Rural Infrastructure Assistance to State Governments (RIAS) and NABARD Green Lending Facility (NGLF), along with GoI funds such as WIF, LTIF, MIF, and FPF, offer opportunities for State Government to pool resources for infrastructure growth. Additionally, the Rural Infrastructure Promotion Fund (RIPF) of NABARD supports innovative, experimental, and last-mile rural infrastructure projects on pilot basis.

## Chapter 7

### Details of Policy Initiatives

#### 7.1. Govt. of India

##### 7.1.1 Policy Initiatives by the Govt. of India (including Cooperatives)

Recent Initiatives for Development of Cooperatives:

- i. Formation & strengthening of 2 lakh New Multipurpose Primary Cooperatives
- ii. National Campaign on Cooperation among Cooperatives
- iii. Cooperative Governance Index for RCBs
- iv. Amalgamation of RRBs
- v. Recapitalization of RRBs: Raising of Capital from Sources other than from the Existing Stakeholder
- vi. Promoting MSME Lending by RRBs
- vii. RRBs in Focus Mechanism
- viii. Centralized Digital Credit Infrastructure (CDCI)
- ix. Revised Human Resource Policy for Implementation in RRBs

##### 7.1.2 Union Budget 2025-26

The Union Budget 2025-26 is centred on driving **inclusive and sustainable growth** through four key engines - **Agriculture, MSMEs, Investment, and Exports** - with a strong emphasis on **innovation, resilience, and social equity**. It prioritizes transforming agriculture with advanced research, high-yield seeds, and natural farming; boosting employment and skilling through centers of excellence and AI-driven education; accelerating infrastructure and urban development with record capital expenditure; ensuring energy security via green transition initiatives; and fostering innovation through expanded R&D and technology-driven reforms, all under the vision of Viksit Bharat and the principle of Sabka Vikas.

##### 7.1.3 Key Highlights of Union Budget 2025-26 - Important Announcements

Key Highlights of Union Budget 2025-26:

- The Union Budget proposes development measures focusing on **Garib** (Poor), **Youth, Annadata** (Farmer), and **Nari** (Women). The four main engines of development are **Agriculture, MSME, Investment and Exports**.
- **Prime Minister Dhan Dhaanya Krishi Yojana Developing Agri Districts Programme:** The programme to be launched in partnership with the states, covering 100 districts with low productivity, moderate crop intensity and below average credit parameters.

- **Makhana Board in Bihar:** A Makhana Board to be established to improve production, processing, value addition, and marketing of makhana.
- **Fisheries:** Government to bring a framework for sustainable harnessing of fisheries from Indian Exclusive Economic Zone and High Seas, with a special focus on the Andaman & Nicobar and Lakshadweep Islands.
- **Enhanced Credit through KCC:** The loan limit under the Modified Interest Subvention Scheme to be enhanced from Rs. 3 lakh to Rs. 5 lakh for loans taken through the KCC.
- **Revision in classification criteria for MSMEs:** The investment and turnover limits for classification of all MSMEs to be enhanced to 2.5 and 2 times respectively.
- **Credit Cards for Micro Enterprises:** Customized Credit Cards with Rs. 5 lakh limit for micro enterprises registered on Udyam portal.
- **Fund of Funds for Startups:** A new Fund of Funds, with expanded scope and a fresh contribution of Rs. 10,000 crore to be set up.
- **Scheme for First time Entrepreneurs:** A new scheme for 5 lakh women, Scheduled Castes and Scheduled Tribes first time entrepreneurs to provide term loans up to Rs. 2 crore in the next 5 years announced.
- **Support for Food Processing:** A National Institute of Food Technology, Entrepreneurship and Management to be set up in Bihar.
- **PM SVANidhi 2.0:** Scheme to be revamped with enhanced loans from banks, UPI linked credit cards with Rs. 30,000 limit, and capacity building support.
- **Support to States for Infrastructure:** An outlay of Rs. 1.5 lakh crore proposed for the 50 year interest free loans to states for capital expenditure & incentives for reforms.
- **Jal Jeevan Mission:** Mission to be extended until 2028 with enhanced total outlay.
- **Maritime Development Fund:** A Maritime Development Fund with a corpus of Rs. 25,000 crore to be set up, with up to 49 per cent contribution by the Union Govt. and the balance from ports & private sector.
- **Grameen Credit Score:** Public Sector Banks to develop Grameen Credit Score framework to serve the credit needs of SHG members and people in rural areas.

#### 7.1.4 Cooperative Development

The Ministry of Cooperation, GoI has taken 54 initiatives to strengthen and deepen the cooperative movement at the grassroots level. The ministry, in coordination with state governments, NABARD, national level federations and other stakeholders is working on the following initiatives:

- i. **World's Largest Grain Storage Plan in Cooperative Sector (WLGSP):** Ministry of Cooperation (MoC), GoI is implementing Pilot Project for World's Largest Grain Storage Plan in Cooperative Sector. The Pilot Project entails setting up of grain storage infrastructure including warehouse and silos, along with other agri-infrastructure, including Procurement Centre, Custom Hiring Center, Primary Processing Center, Grameen Haats etc.
- ii. **Centrally Sponsored Scheme for Computerization of Primary Agricultural Credit Societies (PACS):** Govt. of India has approved a scheme for Computerization of Primary Agricultural Credit Societies (PACS) with the objective of increasing efficiency of PACS, bringing transparency and accountability in their operations; facilitating PACS to diversify their business and undertaking multiple activities/ services. A total of 67,000 PACS have been taken for computerization under the project.
- iii. **Establishing Multi-purpose PACS/Dairy/Fisheries Cooperatives in Every Panchayat** with support of NABARD, NDDDB, NFDB, NCDC and other National Level Federations
- iv. **PACS as Common Service Centers (CSCs) for Better Access to e-Services:** Ministry of Cooperation has announced supporting more than 300 e-services through PACS, in association with MeitY, NABARD and CSC e-Governance Services India Limited.
- v. **Micro-ATMs to Bank Mitra Cooperative Societies** for providing doorstep financial services
- vi. **Computerization of Agriculture and Rural Development Banks (ARDBs):** To strengthen the long-term cooperative credit structure, the project of computerization of 1,867 units of Agriculture and Rural Development Banks (ARDBs) spread across 13 States/ Union Territories has been approved by the Government. NABARD is the Implementing Agency for the project and will develop national level software for ARDBs.
- vii. **Co-operative Education - Setting up of World's Largest Cooperative University:** This aims at introduction of cooperative education in independent degree/ diploma courses in Schools and Universities. Accordingly, Union Ministry of Cooperation has established a national-level university in the cooperative sector, "**Tribhuvan**" **Sahkari University (TSU)**, by converting the Institute of Rural Management Anand (IRMA), and has declared it an institution of national importance through an Act of Parliament.
- viii. **World's Largest Cooperative Training Scheme:** This aims at revamping existing cooperative training structure in the country.
- ix. **New Cooperative Policy** with a view to strengthening the cooperatives and making them vibrant with increased contribution to the economy.

- x. **Amendment to Multi State Cooperative Act 2002** and setting up of 3 New Multi State Cooperative Society (MSCS) in the areas of seed production and marketing; organic products, and export from cooperative sector.
- xi. To provide facilities at par with FPOs for existing PACS
- xii. Establishment of **National Cooperative Database**

### 7.1.5 Digital Agriculture Mission

The Digital Agriculture Mission (DAM) aims to revolutionize India's agriculture sector by leveraging digital technology, inspired by the success of India's digital revolution in other sectors with a substantial financial outlay of Rs. 2,817 crore in FY 2024-25 and it focuses on creating a Digital Public Infrastructure (DPI) for agriculture.

- i. **Agri Stack:** Key components of the mission include a farmer-centric DPI to streamline services with the creation of a unique digital Farmer ID, linked to important farmer data such as land records and crop details. It also focusses on Geo-referenced village maps and Crop Sown Registry.
- ii. **Krishi Decision Support System:** Krishi-DSS, launched on 16th August 2024, integrates and standardizes geospatial and non-geospatial data, including satellite, weather, soil, crop signatures, reservoir, groundwater data, and government scheme information. Krishi-DSS offers crop maps, soil maps, automated yield estimation models, drought/flood monitoring systems, etc., which support the government's evidence-based decision-making and facilitate innovative solutions by research institutions and the agri-tech industry. This Krishi-DSS platform is aligned with the government's National Geo-Spatial policy. The information available on Krishi-DSS would support crop map generation for identifying crop sown patterns and crop diversification, drought/flood monitoring, and technology/model-based yield assessment for settling crop insurance claims by farmers.
- iii. **VISTAAR (Virtually Integrated System to Access Agricultural Resources):** VISTAAR initiative of MoA&FW is an open, interoperable & federated network dedicated to agricultural information and advisory services, with a mission to empower farmers and enhance their farming practices for better, sustainable livelihood.
- iv. **Jan Samarth Portal:** Jan Samarth Portal, a GoI initiative is a unique digital portal linking credit linked schemes for ease of access to all the beneficiaries and related stakeholders' schemes such as e-Kisan Upaj Nidhi (eKUN), KCC, AIF, etc. are accessible through the portal.
- v. **e-National Agricultural Market:** The Govt. of India is implementing National Agriculture Market (e-NAM), a virtual platform integrating physical wholesale mandis/ markets of different States/ Union Territories (UTs) to facilitate online trading of 247 Agricultural Commodities through transparent price discovery

method to enable farmers to realize better remunerative prices for their produce. As on 31 March 31 2025, 1,522 APMCs (Mandis) of 23 States and 04 Union Territories (UTs) have been integrated with e-NAM platform.

### **7.1.6 Framework for Voluntary Carbon Market (VCM) in Agriculture Sector**

The Ministry of Agriculture & Farmers' Welfare, GoI has launched a Framework for Voluntary Carbon Market in Agriculture Sector. Under the Framework, the Ministry envisages creating long-term credit benefits primarily for small and marginal farmers by developing a VCM Framework and setting guidelines. NABARD is the nodal agency to coordinate and implement the various pilot projects under the VCM.

### **7.1.7 PM JANMAN (Pradhan Mantri Janjati Adivasi Nyaya Maha Abhiyan)**

PM JANMAN is a recently launched initiative by the Govt. of India, specifically designed to address the socio-economic challenges faced by the Particularly Vulnerable Tribal Groups (PVTGs) across the country. The program aims for the comprehensive development of 75 PVTGs in 18 States and 1 Union Territory with an allocation of Rs. 24,104 crore.

## **7.2. Reserve Bank of India**

**7.2.1. Policy Initiatives** - The following important initiatives have been taken by the RBI in the Agriculture and Rural Sector:

- **Master Circular on Lead Bank Scheme and SHG-Bank Linkage Programme and Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM)** consolidating the relevant guidelines/instructions issued by Reserve Bank of India.
- **RBI's Green Deposit Framework:** The Green Deposit Framework by RBI is designed to encourage regulated entities (REs) in India, such as scheduled commercial banks and deposit-taking non-banking financial companies, to offer green deposits. These deposits are earmarked for financing projects that contribute to environmental sustainability, such as renewable energy, energy efficiency, and pollution control. REs must develop and publicly disclose a comprehensive policy and financing framework detailing how funds will be allocated and managed.
- **Unified Lending Interface (ULI):** The Reserve Bank of India (RBI), as part of its strategy to create digital public infrastructure in the country, has announced re-engineering of setting up of a new technology platform called the Unified Lending Interface (ULI) which will enable friction-less credit to farmers and MSME borrowers to begin with. The eKCC Portal developed by NABARD has already been integrated with the ULI for fetching and validation of land records to facilitate dispensation of crop loans to farmer members of cooperatives.
- RBI Guidelines (<https://rbi.org.in/Scripts/NotificationUser.aspx>)

### **7.2.2. Credit Flow to Agriculture - Collateral Free Agricultural Loans**

- i. Collateral free loan limit raised from Rs. 1.6 lakh to Rs. 2 lakh per borrower.
- ii. Applies to agricultural and allied activities.
- iii. No collateral or margin required for loans up to Rs. 2 lakh.

### **7.2.3. Master Directions RBI (PSL Targets and Classification) Directions, 2025**

- i. PSL Categories: Eight Sectors namely Agriculture, MSMEs, Export Credit, Education, Housing, Social Infrastructure, Renewable Energy and Others
- ii. Targets: Commercial Banks: 40% of ANBC, RRBs: 75% and SFBs & UCBs: 60%
- iii. SFBs and UCBs: Overall PSL target reduced to 60% of ANBC or CEOBE, whichever is higher. 40% to prescribed PSL sub-sectors and remaining 20% to any PSL sub-sector(s) where bank has competitive advantage
- iv. Sub targets: Introduction of Sub-Targets for Non-Corporate Farmers (14%) within Agriculture (18%) with SMFs (10%), Micro Enterprises (7.5%) & Weaker Sections (12-15%)
- v. Higher Weightage (125%) for PSL Credit Districts (< Rs. 9,000/- per Capita PSL Credit) and Lower (90%) for High PSL Credit Districts (> Rs. 42,000/- per Capita PSL Credit).

The other Key Master Directions or Circulars issued by RBI:

- i. Lead Bank Scheme
- ii. Deendayal Antyodaya Yojana National Rural Livelihoods Mission (DAYNRLM)
- iii. SHG Bank Linkage Programme
- iv. Basel III Capital Regulations
- v. Prudential Norms on Income Recognition, Asset Classification and provisioning pertaining to Advances
- vi. Finance to Non-Banking Financial Companies (NBFCs)

## **7.3. NABARD**

### **7.3.1 Refinance support**

NABARD provides Short Term refinance to Cooperatives, RRBs and SFBs for their crop loan lending. To ensure increased and uninterrupted credit flow to farmers, as also to give a boost to capital formation in agriculture sector, NABARD provides refinance to the Commercial Banks, Cooperative Banks and RRBs.

### **7.3.2 Schematic Refinance for Water, Sanitation and Hygiene (WASH)**

To provide clean water, sanitation, and hygienic conditions to rural and semi urban areas and thereby to protect human health during outbreak of infectious disease, NABARD introduced a special refinance scheme on Water, Sanitation and Hygiene (WASH).

### **7.3.3 Special Refinance Facility - Transformation of PACS as Multi-Service Centre (MSC) for implementation of projects under World's Largest Grain Storage Plan (WLGSP) in Cooperative Sector**

To support the Primary Agriculture Cooperative Societies (PACS) for implementation of projects under World's Largest Grain Storage Plan in Cooperative Sector (WLGSP), NABARD is providing the Special Refinance Facility under PACS as MSC scheme to StCBs under Automatic Refinance Facility mode. The Interest rate on this Special Refinance Facility to StCBs will be at @3% per annum and the ultimate interest rate to be charged from PACS should not be more than 1% over and above the interest rate charged by NABARD.

### **7.3.4 Special Refinance Scheme for Special Focused Districts**

It is designed to provide financial support to districts identified as having special developmental needs, typically due to lower economic indicators or developmental challenges. Under this scheme, NABARD extends refinance support to eligible financial institutions like commercial banks, regional rural banks, and cooperative banks that lend to these districts. The aim of the scheme is to promote credit flow to sectors like agriculture, rural infrastructure, and micro, small, and medium enterprises (MSMEs) in underserved regions. By providing targeted refinance, NABARD helps improve financial inclusion, encourage sustainable development, and reduce regional disparities. This initiative is crucial for fostering inclusive growth in areas that require additional support for socio-economic development.

### **7.3.5 Special Refinance scheme for financing under Agriculture Infrastructure Fund (AIF) for RRBs and Cooperative Banks**

To incentivize rural financial institutions to finance projects under the Agriculture Infrastructure Fund (AIF) and extend credit to eligible beneficiaries, a special refinance scheme has been designed for RRBs and Cooperative Banks. This scheme offers concessional interest rates for a tenure of seven years, promoting long-term investment in agricultural infrastructure.

### **7.3.6 Special Refinance Scheme for promoting Micro Food Processing Activities**

The scheme aims to encourage banks to extend credit for micro-food processing activities, fostering sustainable livelihoods and employment opportunities for rural youth and reverse migrants affected by the COVID-19 pandemic. Additionally, it seeks to modernize existing individual micro-enterprises, enhance their competitiveness, and facilitate their transition to the formal sector in rural areas. This refinance scheme supports the PM

Scheme for Formalization of Micro Food Processing Enterprises (PM-FME), launched under the Aatmanirbhar Bharat Abhiyan by the Union Ministry of Food Processing Industries (MoFPI) to attract an investment of Rs. 25,000 crore in the sector. Eligible financial institutions, including Commercial Banks, Small Finance Banks (SFBs), State Cooperative Banks (StCBs) and Regional Rural Banks (RRBs), can avail concessional refinance at 4% under this initiative.

### 7.3.7 Infrastructure:

- **Rural Infrastructure Development Fund (RIDF):** RIDF covers 39 activities across Agriculture, Social Sector and Rural Connectivity. Priority is being given to PM Dhan Dhaanya Krishi Yojana (PMDDKY), in addition to Low PSL Credit Districts, LWE, Aspirational, and Northeastern/Hilly districts.
- **Long Term Irrigation Fund (LTIF):** Launched in 2016-17 to FastTrack 99 Irrigation Projects across 18 states. LTIOF also includes additional projects like Polavaram (AP), North Koel (Bihar/Jharkhand), and others in Punjab. Funding continues till FY 2025-26 for State share. Ministry of Jal Shakti is the nodal agency.
- **Micro Irrigation Fund (MIF):** Started in 2019-20 with Rs. 5,000 crore to promote micro irrigation beyond PMKSY. In 2024, an additional Rs. 5,000 crore was approved. Ministry of Agriculture & Farmers Welfare is the nodal ministry.
- **Food Processing Fund (FPF):** Instituted in 2014-15 with Rs. 2,000 crore to support food parks and processing units. As on 30 June 2025, 40 projects sanctioned with Rs. 1,179.71 crore committed and Rs. 830.22 crore disbursed.
- **Warehouse Infrastructure Fund (WIF):** Created in 2013-14 with Rs. 10,000 crore corpus to support scientific storage infrastructure.
- **e-Kisan Upaj Nidhi (e-KUN):** WDRA in collaboration with NABARD has developed and launched a digital gateway in March 2024 to connect stakeholders in the warehouse receipt-based pledge financing system, enabling farmers and traders to access online finance against e-NWRs. (<https://wdra.gov.in/digital/eng.html>)

### 7.3.8 Climate Change:

- **Framework for Voluntary Carbon Market (VCM) in Agriculture Sector:** The Union Ministry of Agriculture & Farmers' Welfare has introduced a VCM Framework to help small and marginal farmers earn carbon credits by adopting sustainable agricultural practices. These credits can be traded, with FPOs, SHGs, and cooperatives playing a key role in managing and facilitating carbon projects.
- **NABARD Carbon Fund (NCF):** With a Rs. 300 crore corpus, the NABARD Carbon Fund supports carbon mitigation projects that generate tradable carbon

credits. It focuses on financing, aggregating small scale projects, and building capacity to strengthen India's voluntary carbon market and contribute to net zero goals.

- **NABARD Green Impact Fund (NGIF):** The NABARD Green Impact Fund, with an initial Rs.1,000 crore corpus, provides interest subvention to private sector entities, especially MSMEs and hard to abate sectors. It aims to make green projects financially viable and encourage broader private sector participation.

### 7.3.9 Institutional Development:

- Recent efforts include the formation of 2 lakh New Multipurpose PACS, supported by NABARD, NDDDB, and NFDB, with over 6,000 already established. A national campaign promotes cooperation among cooperatives, enhancing digital transactions and financial inclusion.
- NABARD is also facilitating the establishment of new StCBs/DCCBs, with RBI approving new licenses such as Namakkal DCCB. A centralized grievance redressal portal and a Cooperative Governance Index (CGI) are being developed to improve transparency and accountability.
- For RRBs, the fourth phase of amalgamation reduced their number to 28, with IT integration and audits scheduled. Recapitalization efforts have infused Rs. 10,890.00 crore, and RRBs are now permitted to raise capital from markets.

### 7.3.10 NABARD's Digital Initiatives

- **Jan Setu:** NABARD is building a Centralized Digital Credit Infrastructure (CDCI) to automate credit processes across RRBs.
- **Sahakar Sarathi Pvt. Ltd. (SSPL) - Shared Services Entity:** In collaboration with the Union Ministry of Cooperation, NABARD has set up Sahakar Sarathi Private Limited to provide centralized tech and operational support to RCBs i.e. NABARD's Startup for the Cooperatives as Transformation Catalyst. It was officially dedicated to the nation by the Hon'ble Union Minister for Cooperation and Home Affairs Shri Amit Shah on 05 December 2025 during EARTH (Empowering Agriculture, Rural Technology and Humanity) Summit at Gandhinagar. Also, Centralized Digital Credit Infrastructure (CDCI) to automate credit processes across RCBs i.e. Sahakar Setu was also launched on this occasion along with 11 other modules for RCBs.
- **Automation of JanSuraksha Schemes:** NABARD is onboarding RRBs to the JanSuraksha portal for digital enrolment and claim settlement under PMJJBY and PMSBY. The portal integrates with CBS via APIs.
- **Digitalisation of Agri Value Chain Finance (AVCF):** A pilot AVCF initiative was implemented in Bihar, Karnataka, and Maharashtra, covering input provision, crop production, and postharvest procurement.

- **Centralized Account Aggregator (AA) Platform:** NABARD is developing a centralized AA platform for RCBs and RRBs to enable secure financial data sharing and promote financial inclusion.
- **Shared Aadhaar Data Vault (ADV):** NABARD is exploring a shared ADV model to enhance Aadhaar data security and compliance for rural financial institutions.
- **Digital Technology for Credit Delivery & Interest Subvention:**
- **E-KCC Portal:** Enables farmers to apply for KCC loans online with quick approvals, integrating land records, satellite data, and UIDAI.
- **AIF Interest Subvention Portal:** Automates claim processing under AIF scheme.

### 7.3.11 Promotional Development & Financial Inclusion

- **Graduated Rural Income Generation Programme (GRIP):** A pilot project launched in FY 2023-24 to integrate Ultra-Poor Rural Households (D3 Category) into institutional finance using a returnable grant model. Implemented in five states with Bandhan Konnagar, it includes credit assessment via a Rating Scale and training in confidence building and enterprise development.
- **Money Purse App:** Piloted in Odisha Gramya Bank and Kerala Bank, this app enables SHG members to perform financial activities digitally account opening, savings, loan collections, and bookkeeping via Business Correspondents, ensuring doorstep delivery of services.
- **m-SUWIDHA:** Launched in 2023-24 to support microenterprises for women through skill development, credit linkage, and marketing.
- **LMS for RSETIs REAP Platform:** In partnership with MoRD, NAR and IIT Madras, NABARD is developing a digital Learning Management System for RSETIs. It will host 4400 hours of content in 12 languages across 64 courses, benefiting around 6 lakh rural trainees annually.
- **Incentive Scheme for BCs/CSPs in NER & Hilly States:** Launched in FY 2023-24 and extended to hilly regions, the scheme offers Rs. 1,500/month to BCs in Tier5/6 centers, promoting sustainable operations in remote areas. Valid till March 2026.

### 7.3.12 Credit-Linked Subsidy Schemes of Govt. of India

- i. **New Agriculture Marketing Infrastructure sub scheme of Integrated Scheme for Agricultural Marketing (ISAM):** GoI had approved the continuation of the scheme till 31 March 2026. The scheme lays a special focus on developing and upgrading of Gramin Haats as GrAMs through strengthening of infrastructure besides development of scientific storage facilities.

- ii. **Agri Clinics and Agri Business Centres (ACABC):** The Central Sector Scheme of Agri-Clinics and Agri-Business Centres was launched in April 2002 by the Union Ministry of Agriculture. The composite subsidy of 44% of the project cost for women, SC/ST & all categories of candidates from North-East & Hilly States and 36% of project cost for all other beneficiaries is provided under the scheme.

### 7.3.13 Interest Subvention Schemes of Govt. of India

- i. **NABARD implements a crop loan interest subvention scheme** of GoI for Cooperative Banks and RRBs, under which interest subvention of 1.5% is provided to banks for extending crop loans up to Rs. 3 lakh at a concessional interest rate of 7% per annum. The scheme also provides an incentive of 3% subvention to the farmers making prompt repayment of loans, thereby making credit available at an effective interest of 4% per annum. The claims are being processed and released through Kisan Rinn Portal (KRP).
- ii. **NRLM Interest Subvention:** NABARD also implements an interest subvention scheme under DAY-NRLM, for Cooperative Banks and RRBs. NABARD has developed a web portal for NRLM Interest Subvention claims by RRBs and Cooperative Banks in respect of WSHGs financed by them under DAY-NRLM.
- iii. **GoI introduced Sugar Ethanol Interest Subvention scheme** in 2018-19 with a view to increasing the production of ethanol and its supply under the 'Ethanol Blended Petrol (EBP).' NABARD is the nodal agency responsible for managing the Sugar Ethanol Interest Subvention Scheme of the Department of Food and Public Distribution (DFPD), Government of India. NABARD has launched a sugar ethanol portal to speed up the claims settlement process.

## 7.4. State Government - Govt. of Himachal Pradesh

### 7.4.1 Policy Initiatives by the Himachal Pradesh

**7.4.1.1 Economic outlook:** The Gross State Domestic Product (GSDP) is projected at ₹2,32,185 crore in FY25 with an estimated growth rate of 6.7%. Per capita income is projected at ₹2,57,212, which is ₹57,050 higher than the national average. The state aims to enhance fiscal sustainability through improved governance, digitization of revenue administration, and strict control over non-essential expenditure.

**7.4.1.2 Fiscal Aspects:** The Himachal Pradesh Budget for the financial year 2025-26 reflects a carefully balanced approach to managing fiscal stress while pursuing inclusive development. Against the backdrop of a weakening national economy, declining central support, and climate related disasters, the state government has prioritized responsible fiscal management, revenue mobilization, and strategic investment in key sectors.

**7.4.1.3 Strategic Fiscal Measures:** The state government has committed to maintaining the fiscal deficit within the prescribed limits of 3.5% (2024-25) and 3%

(2025-26) under the Fiscal Responsibility and Budget Management (FRBM) Act. Borrowings are strictly regulated under Article 293(3) of the Constitution, with a borrowing limit of ₹6,551 crore for 2024-25.

**7.4.1.4 Boosting Own Revenue:** The share of states own revenue in total revenue rose to 37.92% in FY 2023-24 from 35.37% in FY 2022-23. According to the revised estimates, the total revenue receipts for the year 2024-25 stands to ₹ 43,704 crores. The total revenue expenditure for year FY 2024-25 is estimated to be ₹ 50,190 crores.

**7.4.1.5 Excise Policy Reforms:** The revised excise policy led to an increase of ₹867 crore in Excise Duty and VAT during FY 2023-24. Furthermore, as per the revised estimates for 2024-25, an additional increase of around ₹300 crore is expected.

Government has also made efforts to increase revenue through the levy of cess. As a result, ₹145 crore was generated from the cess imposed on liquor during the year 2023-24. Additionally, excluding the cess on liquor, an additional income of ₹126 crore is estimated from various cesses during the period from FY 2024-25 to FY 2025-26.

#### **7.4.1.6 Natural & Green Himachal Vision:**

- > Focus on "Natural" (organic, sustainable farming) and "Green" (clean energy, environment).
- > Move towards a Green Energy State by 2026, with 90% renewable energy usage.
- > Massive push for vehicles, with subsidies and infrastructure support.

### **7.4.2 State Government Budget Announcement (FY 2025-26)**

#### **7.4.2.1 Agriculture & Cooperatives:**

- > Mukhya Mantri Krishi Samvardhan Yojana and Utpadan Sanrakshan Yojana launched.
- > Minimum Support Price (MSP) for naturally grown crops (e.g., maize ₹40/kg, wheat ₹60/kg).
- > Digital initiatives: Farmers to be linked with e-Commerce platforms and Certified Evaluation Tool for Agriculture Resource Analysis (CETARA) portal for certification.
- > Introduction of Spice Park in Hamirpur and a Potato Processing Plant in Una.
- > Complete digitization of milk procurement operations in Milkfed, along with the integration of all animals into an Integrated Digital Platform under the Life Cycle Approach.

#### **7.4.2.2 Animal Husbandry:**

- > ₹673 crore allocated for dairy, poultry, and sheep/goat welfare.
- > MSP for cow and buffalo milk increased to ₹51 and ₹61 per litre respectively.

- > Strengthening of the registered milk societies in the State, an increase in the freight subsidy from ₹1.5 per liter to ₹3 per liter.
- > Expansion of milk processing and chilling plants, introduction of transport subsidies.

#### **7.4.2.3 Horticulture:**

- > Topographic survey for 257 clusters; promotion of High-Density Plantation.
- > Digital Agritech Services to modernize the sector.
- > Expansion of Weather Based Crop Insurance Scheme.

#### **7.4.2.4 Fisheries:**

- > Reduction of royalty rates for fishermen and fish farmers obtaining fish from reservoirs to 7.5%.
- > Introduction of subsidies for fishpond construction and boat replacement.

#### **7.4.2.5 Forestry & Ecotourism:**

- > Rajiv Gandhi Van Samvardhan Yojana: Community based afforestation model.
- > Revised Ecotourism Policy with 78 new ecotourism sites and ₹200 crore expected revenue in 5 years.

#### **7.4.2.6 Tourism:**

- > Investment in wellness centers, rafting centers, ice-skating rinks.
- > Interest subvention for Homestays & Hotels via Chief Minister Tourism Start-up Scheme.
- > Religious tourism boost: ₹100+ crore projects at Jwalamukhi, Naina Devi, Tapovan.
- > Tea Tourism with GI tagged Kangra tea plantations.

#### **7.4.2.7 Rural Development & Panchayati Raj:-**

- > Reorganization of blocks for better administration.-
- > Support for Self Help Groups (SHGs): Mobile food vans, Him-Ira shops, Wayside Amenities.
- > MGNREGA wage increased to ₹320/day.-
- > Skill development for 4,000 youth under NRLM.

#### **7.4.2.8 Labour & Employment:**

- > Target to organize 50 campus interviews.
- > Subsidies to convert 3,000 diesel/petrol taxis to e taxis.
- > 1,000 new private bus route permits with up to 40% subsidy.

**7.4.2.9 Education & Technical Innovation:-**

- > Rationalization of under-enrolled schools.-
- > Launch of Rajiv Gandhi Day Boarding Schools and Digital University of Innovation.-
- > ₹9,849 crore allocation for education.

**7.4.2.10 Women & Child Development:-**

- > “Indira Gandhi Matri Shishu Sankalp Yojana” and “Sukh Suraksha Yojana” for maternal and child welfare.-
- > Working Women’s Hostels to be built in 10+ locations.-
- > Anganwadis to be converted into Anganwadi Sah Preschools.

**4.2.11 Social Welfare:**

- > Social pension expansion to 37,000 new beneficiaries.
- > Financial incentives for inter caste and specially abled marriages increased to ₹2 lakh.
- > Schemes for widows, single women, and old age homes expanded.

**7.4.2.12 Digital Governance:**

- > Full digitization of Revenue Courts and Mutation Processes.
- > Implementation of Bhū naksha and online land mapping.

**7.4.2.13 Disaster Management:-**

- > ₹892 crore project for disaster preparedness with AFD support.-
- > Panchayat-level Emergency Response Centers and early warning systems.

**7.4.3 Budget – Highlights related to Agriculture & Farm Sector**

**7.4.3.1** Mukhya Mantri Krishi Samvardhan Yojana and Mukhya Mantri Krishi Utpadan Sanrakshan Yojana have been launched by merging eight ongoing schemes to streamline agricultural growth and enhance productivity. A budget of ₹35 crore has been allocated for these schemes in FY 2025-26.

**7.4.3.2** The state targets to enroll 1 lakh new farmers under Natural Farming during the fiscal year. To support this, 1,58,785 farmers have already been certified, and efforts continue to integrate them into the Him Parivar Register and CETARA (Certified Evaluation Tool for Agriculture Resource Analysis) portal for formal recognition.

**7.4.3.3** Minimum Support Prices (MSP) for key crops grown using natural methods have been significantly increased: Maize: ₹40/kg (up from ₹30), Wheat: ₹60/kg (up from ₹40) Additionally, Farmers who bring their produce to a Notified Collection Centre located more than 2 kilometers away will be provided a freight subsidy at the rate of ₹2 per kilogram.

**7.4.3.4** A Spice Park will be established in Hamirpur district, with an MSP of ₹90/kg announced for raw turmeric grown through natural farming encouraging value addition and market access.

**7.4.3.5** All Government farms under the Agriculture Department will be transitioned to Natural Farming. These will also serve as model farms, with 15–20% of their land dedicated to traditional crops like turmeric, ginger, jackfruit, and taro.

**7.4.3.6** To revive potato production, eight potato development stations will restart seed production. Further, a Potato Processing Plant will be set up in Una district at a cost of ₹20 crore, with a capacity of 500 kg/hour, benefiting over 3,400 hectares of farmland.

**7.4.3.7** The Mukhya Mantri Khet Sanrakshan Yojana has been expanded to include assistance for solar fencing, wire mesh, and barbed wire to protect crops from wild animals, addressing a major issue for farmers.

#### **7.4.4 State Budget - Highlights related to Rural Development & Non-Farm Sector**

**7.4.4.1 Strengthening Rural Governance & Infrastructure:** The Government will reorganize administrative blocks to improve governance, resource efficiency, and service accessibility. Nine Extension Training Centres to be set up under the State Institute of Rural Development (SIRD).

**7.4.4.2 Rural Livelihoods & Entrepreneurship:** To promote local entrepreneurship and self-help groups (SHGs), the Government will set up Him-Ira Shops, Himachali Haats, and Wayside Amenities along State and National Highways, launch of mobile food vans for SHGs with a 30% subsidy, helping them sell food and rural products directly to consumers and travellers.

**7.4.4.3 Strengthening Panchayati Raj Institutions (PRIs):** The Government is committed to enhancing the financial autonomy of PRIs through better management and leasing of PRI owned assets, transfer of water supply schemes to PRIs for localized operation and maintenance, allowing them to generate revenue and reduce dependence on state grants. A Standard Operating Procedure (SoP) under MGNREGA will be introduced in collaboration with the Forest Department to support effective plantation activities.

**7.4.4.4 Wage and Employment Support:** The MGNREGA wage has been increased from ₹300 to ₹320 per day. The Government will also implement a comprehensive welfare plan for MGNREGA workers in FY 202526 to enhance their working conditions and access to benefits. Under the National Rural Livelihood Mission (NRLM) 4,000 youth will receive skill training, with a goal of providing 70% placement or employment opportunities.

#### **7.4.4.5 Honorarium Enhancement for PRI Representatives:**

The monthly honorarium for various Panchayati Raj representatives has been increased to acknowledge their service and responsibilities. For example:

Zila Parishad Chairperson: ₹25,000/month (Increase of ₹1,000)

Gram Pradhan: ₹7,500/month (Increase of ₹300)

Gram Panchayat Member: ₹1,050 per sitting (Increase of ₹300)

**7.4.4.6 Rural Tourism and Hospitality:** to promote rural tourism as a source of nonfarm income the Government has launched the Chief Minister Tourism StartUp Scheme. Key features include:

- > 4% interest subvention for loans to build Homestays and Hotels in nontribal areas.
- > 5% interest subvention in tribal areas.
- > Food vans for youth entrepreneurs on highways with a 30% subsidy.

**7.4.4.7 E-Commerce & Cooperative Marketing:** The 'Him-ira' e commerce platform has been strengthened to allow SHGs and cooperatives to market and sell their products online. For example: Him Bhog maize flour, prepared by natural farming SHGs, is now sold through this platform. This digital market access empowers rural producers and reduces their dependence on middlemen.

**7.4.4.8 Forest Based Livelihoods:** The Rajiv Gandhi Van Samvardhan Yojana focuses on utilizing barren lands for afforestation while promoting community involvement. Key highlights:

- > SHGs, Mahila Mandals, and Yuva Mandals will manage plantation areas of 15 hectares.
- > Each group can earn up to ₹6.4 lakh over five years based on plant survival and maintenance.
- > All plantation areas will be geotagged and monitored online.

Additionally, the Government plans to convert forest and agricultural waste into biochar, bioenergy, biofertilizers, and carbon credits, creating new green jobs in rural areas.

#### **7.4.5 State Government Sponsored Programmes linked with Bank Credit**

**7.4.5.1 Mukhyamantri Laghu Dukandar Kalyan Yojana:** Launch of the "Mukhyamantri Laghu Dookandar Yojana" for small fruit & vegetable vendors, tea stall owners, and others in urban areas. Benefits provide under Mukhyamantri Laghu Dukandar Kalyan Yojana are:

- > Subsidy on interest will be provided up to loan of ₹50,000.
- > Himachal Pradesh Government will pay the 50 per cent amount of interest on loan. Remaining 50 per cent will be borne by the applicant.

**7.4.5.2 National Rural Livelihoods Mission (NRLM):** The Ministry of Rural Development launched a flagship programme of the Government of India for promoting poverty reduction. This scheme is implemented in the State through HP State Rural

Livelihoods Mission (HPSRLM), Rural Development Department, Government of Himachal Pradesh under the National Rural Livelihoods Mission (NRLM), 4,000 eligible candidates will be provided skill training during the year 2025-26. Out of these, 70 percent will be ensured employment opportunities.

**7.4.5.3 Deen Dyal Upadhyaya Grameen Kaushalya Yojana (DDUGKY):** In Himachal Pradesh from the inception of Deen Dyal Upadhyaya Grameen Kaushalya Yojana (DDUGKY) (September, 2017) till 31st December, 2024, 19,442 beneficiaries were selected for training through various trades and job roles of which 17,254 beneficiaries completed their training and 11,690 youths were employed in various companies. Out of these appointed candidates, 9,656 youths have been placed. ₹130.70 lakh has been utilized under this programme.

**7.4.5.4 Mukhya Mantri Gyandeeep Yojana (Educational Loan Subsidy Scheme):** Under this scheme, an interest subsidy is admissible on Education loan availed up to the maximum of ₹10.00 lakh for pursuing Higher Studies in India. The Interest subsidy to the extent of 4 per cent p.a. on education loan is being allowed.

**7.4.5.5 Mukhya Mantri Swavalamban Yojana (MMSY):** MMSY is one of the important flagship programmes of the State Government. It is an ambitious scheme of the State Government to provide self-employment opportunities for the youth of Himachal Pradesh. The scheme has been made available online with the provision of a 60 per cent "Front Loading" subsidy.

**7.4.5.6 Mukhyamantri Khet Suraksha Yojana:** Providing support for solar fencing and barbed wire fencing.

## SUCCESS STORIES

### Success Story 1



<b>Title</b>	<b>Empowering Electric Mobility Future: Training EV Charging Station Technicians</b>
<b>Scheme</b>	<b>SDP under Gramya Vikas Nidhi</b>
<b>Project Implementing Agency</b>	<b>Mehr Chand Mahajan Vidyavati Public Charitable Trust</b>
<b>Duration of the project</b>	<b>75 Days (Residential Batch)</b>
<b>Beneficiary</b>	
<b>1. No. of beneficiaries</b>	<b>30</b>
<b>2. Community</b>	<b>All Community</b>
<b>3. State</b>	<b>Himachal Pradesh</b>
<b>4. District</b>	<b>Kangra</b>
<b>5. Block</b>	<b>Dharamshala</b>
<b>6. Village</b>	<b>Khaniyara</b>

#### 1.1 Support Provided

- **Infrastructure & Logistics:** Provided a fully residential 75-day training facility including lodging and boarding for 30 rural candidates.
- **Technical Curriculum:** Implemented the Power Sector Skill Council (PSSC) aligned course for EV Charging Station Technician (PSS/Q2503).
- **Practical Kits:** Access to specialized diagnostic tools, EV charging station simulators, solar-integrated charging setups, and Battery Management Systems (BMS).
- **Industry Field Visits:** 5-day On-the-Job Training (OJT) at the HRTC Bus Stand/Depot, Dharamshala, providing exposure to high-capacity industrial DC fast chargers.

- Placement Linkages: Collaborative placement drives with industry leaders like OLA Pvt. Ltd. and AVCOM Pvt. Ltd.

## **1.2 Pre – Implementation Status**

- Unemployment & Underemployment: Before the project, 100% of the trainees were either unemployed or working in the unorganized sector with low monthly wages (average Rs. 8,000 – Rs. 12,000).
- Skill Gap: While many held ITI diplomas (Electrician/Wireman), they lacked the specific technical expertise required for the emerging Green Energy and EV infrastructure sector.
- Regional Constraint: Lack of specialized vocational training centers in the Kangra region focusing on futuristic technologies like Electric Vehicles.

## **1.3 Challenges faced**

- Technical Complexity: Transitioning students from traditional AC electrical systems to high-voltage DC fast-charging protocols and software-integrated dashboards.
- Industry Readiness: Bridging the gap between classroom theory and the rugged operational requirements of a public transport depot (HRTC).
- Placement Logistics: Coordinating with national-level EV players to conduct recruitment in a hill state (Himachal Pradesh).

## **1.4 Impact**

- Placement Success: The project achieved an exceptional placement rate, with candidates securing roles in reputable firms such as OLA Pvt. Ltd., AVCOM Pvt. Ltd., and others.
- Income Enhancement: Successful candidates saw an immediate increase in monthly earnings, with salaries rising to competitive industry standards (e.g., Dharamveer and Pradeep securing specialized technician roles).
- Social Inclusion: The batch successfully empowered candidates from marginalized communities (SC/OBC), providing them with high-tech career paths.
- Green Economy Contribution: Created a localized pool of 30 certified technicians capable of maintaining Himachal Pradesh's growing EV charging network, supporting the state's vision for sustainable transport.

## Success Story 2



<b>Title</b>	Prosperity through Collectivization- Success Story of Siraj Valley Farmer Producer Company, Bagsaid, Thunag, District Mandi (HP)
<b>Scheme</b>	PODF-ID: Formation and promotion of Farmer Producer Organisations
<b>Project Implementing Agency</b>	Mandi Saksharta Evam Jan Vikas Samiti (MSJVS)
<b>Duration of the project</b>	3 years
<b>Beneficiary</b>	
<b>1. No. of beneficiaries</b>	500
<b>2. Community</b>	Dairy Farmers and members of SHGs/JLGs
<b>3. State</b>	Himachal Pradesh
<b>4. District</b>	Mandi
<b>5. Block</b>	Seraj
<b>6. Village</b>	Bagsaid

### 2.1 Support provided

- With the identification of dairy cluster, NABARD sanctioned a project for formation and promotion of a dairy farmer producer organisation to MSJVS, who act as POPI.
- Grant assistance of Rs.16.44 lakh was sanctioned for the formation and promotion of FPO in Seraj block of Mandi district.
- The grant included mobilisation of farmers, registration of FPO under Co. Act, compensation to CEO, training of BoDs/CEO, Business Development Support, handholding support, etc.

## 2.2 Pre-implementation status

- The primary source of livelihood in the project area was horticulture and cultivation of off-season vegetables. The project area experiences heavy snowfall for three months each year.
- Many villagers were engaged in animal husbandry, but they do not get fair prices for their milk because the market was about 60 kilometers away and local demand for milk was quite low.
- The dairy farmers were selling milk @25 per liter.

## 2.3 Challenges faced

- Due to hilly terrain, the population was scattered, and mobilisation of dairy farmers was difficult. It was also difficult to convince the scattered population to form producer organisation.
- The issue was resolved by selecting good SHGs/JLGs who were following Panchsutras. The members of SHGs and JLGs were encouraged to come under the fold of FPO.
- It was difficult to collect milk from far flung areas of the cluster. This problem was addressed through training of the dairy farmers on production of Ghee from milk which was easy to carry due to small quantity and huge vessels were not required to get it transported to the FPO's sales point.
- It was difficult to get good quality of milk at the beginning. FPO purchased milk analyzer, deep freezer, milk buckets, etc.from BDA grant. Due to milkotester, the rate and quality of the milk could be set and un-necessary scuffle with members on quality of milk could be avoided.

## 2.4 Impact

- From October 2021, the company began functioning officially with a total of 100 members and a share capital of Rs.1 lakh in the first financial year. By March 2022, the number of members wre increased to 217 with a share capital of Rs.2.27 lakh.
- In the 2022-23 period, the membership grew to 290 and the share capital reached at Rs3.95 lakh. In 2023-24, the membership further expanded to 409 and the share capital increased to Rs.5.11 lakh. The increase is showing popularity among dairy farmers of FPO.
- The company is composed entirely of women, including its board members, which has fostered women's empowerment in the region and encouraged more women to join the FPO.
- The company directors participated in exposure visits and training during a workshop held at Kamdhenu Hitkari Manch in Namhol, a dairy farmer produce company.

- For its initial business, the company purchased gas utensils, refrigerator, paneer-making machine, ghee packing machine etc. at its own and began producing products. Currently the company buys milk from its members at Rs.35-40 per liter and sold at Rs.45 per liter approx. at retail.
- The remaining milk is used by the company to produce products like ghee, spiced paneer, regular paneer, curd, lassi and butter which generate additional profit.
- FPO has touched the turnover of Rs.15 lakh over a short span and has planned to purchase a milk packing machine through bank linkages.
- The FPO has also purchased equipment like milk testers, freezers, etc. from NABARD support.
- FPO is organising camps to raise awareness among its members about the Lumpy Virus disease affecting livestock and on other issues. Thus, creating awareness among the farmers on social as well as economic issues.
- The FPO also participated in various fairs organized by NABARD where they sold their products and earned good profits.
- Through NABARD's initiative nearly 500 families are now striving to sustain their livelihoods and in the near future dairy farming is set to become their primary occupation.

### Success Story 3



<b>Title</b>	Empowering Rural Women through Bamboo Craft: A Path to Sustainable Livelihoods
<b>Scheme</b>	The project was sanctioned under the Farm Sector Promotion Fund (FSPF) scheme.
<b>Project Implementing Agency</b>	District Rural Development Agency (DRDA)
<b>Duration of the project</b>	18 months
<b>Beneficiary</b>	
<b>1. No. of beneficiaries</b>	200
<b>2. Community</b>	Rural Women
<b>3. State</b>	Himachal Pradesh
<b>4. District</b>	Una
<b>5. Block</b>	

#### 3.1 Support provided

- **Training and Skill Development:** The project imparted training to two batches of 40 SHG women each in bamboo craft, with a focus on skill development in creating bamboo products. Additionally, they received marketing training and consultancy to ensure the successful commercialization of their product.
- **Awareness Programs:** A total of five awareness camps were conducted to educate women about bamboo cultivation and the economic potential of bamboo craft.
- **Market Linkages:** The beneficiaries were not only trained but also supported in marketing their products through platforms like Saras Fairs and NABARD organized melas. This helped them gain practical experience and exposure to selling their goods.

- **Convergence with Other Government Schemes:** The project also facilitated the convergence of various government schemes related to bamboo, run by departments like Forest, DIC, and Agriculture, which further enhanced the support provided to the beneficiaries.

### **3.2 Pre-implementation status**

- Before the project's implementation, the women had no stable source of income and limited employment opportunities in their villages. Their economic situation was marked by dependence on irregular work, which made earning a livelihood challenging.

### **3.3 Challenges faced**

- The village SHG women faced difficulty in getting regular source of income. With the help of this project, women learnt the art of making bamboo items. Women started earning income from selling their bamboo products through Saras Fairs and NABARD conducted Melas.

### **3.4 Impact**

- Through awareness camps and hands-on training, 200 women gained knowledge and confidence to turn locally available bamboo into marketable products.
- This not only enhanced their income prospects but also promoted eco-friendly practices and encouraged collective entrepreneurship, enabling women to contribute meaningfully to their households and the local economy.
- The bamboo project created sustainable livelihood opportunities for women across Una district by equipping them with skills in bamboo cultivation and craft.

### Success Story 4



<b>Title</b>	Establishment of Handloom Kaddi Units and Capacity Building of Weavers in Pangti block of Chamba district, H.P.
<b>Scheme</b>	Gramya Vikas Nidhi (GVN)
<b>Project Implementing Agency</b>	Collective Efforts for Voluntary Action (CEVA)
<b>Duration of the project</b>	2 Years
<b>Beneficiary</b>	
<b>1. No. of beneficiaries</b>	40
<b>2. Community</b>	Rural Tribal Women
<b>3. State</b>	Himachal Pradesh
<b>4. District</b>	Chamba
<b>5. Block</b>	Pangti
<b>6. Village</b>	Pangti

#### 4.1 Support provided

- NABARD provided a grant of Rs. 21.22 lakh under the Gramya Vikas Nidhi to cover training, infrastructure, raw materials, and branding costs.
- 10 handloom (khaddi) units were established in Pangti, along with a commercial laundry machine at Chamba for washing, drying, and ironing shawls.
- Master trainers imparted technical know-how in modern weaving techniques, design development, and prototype creation aligned with market demand.
- 40 tribal women were trained in basic and advanced weaving skills and diversified into traditional crafts like Poolen (grass footwear) and Joji (headgear).

- Women artisans were taken on exposure visits to Bhuttico, Kullu, to learn quality control, design variety, and market-oriented weaving, along with efforts for forward market linkages.

#### **4.2 Pre-implementation status**

- The beneficiaries were tribal Pangwala women from remote Pangi Valley, living in poor socioeconomic conditions. They depended on seasonal farming and household chores, with no steady income, limited market access, or modern tools.
- Before the project, the tribal women of the area, despite having a cultural association with traditional crafts, lacked structured weaving skills and technical knowledge. Their exposure was limited to basic household level weaving, without access to modern looms, design development.

#### **4.3 Challenges faced**

- Lack of livelihood options beyond seasonal agriculture, leaving women without steady income.
- Poor access to markets and modern production tools, restricting sales and product quality.
- Geographical isolation and harsh terrain, with Pangi Valley cut off for nearly six months each year.
- Minimal exposure to design, innovation, and quality standards, making products less competitive.
- Weak institutional support, as SHGs and community structures had limited experience in collective enterprises.

#### **4.4 Impact**

- Women received structured training in basic and advanced weaving, along with exposure to design innovation and quality standards.
- 10 khaddi units and a commercial laundry machine were installed, easing production and finishing processes.
- Beneficiaries learned modern weaving techniques, motif creation, and market-oriented product design.
- Regular income from weaving and diversified crafts enhanced household earnings and women's financial independence.
- The brand “Hunma Cholu” was established with packaging, marketing, and digital sales support, giving products wider recognition.

### Success Story 5



<b>Title</b>	Green Leaf Dona Pattal Livelihood Program
<b>Scheme</b>	Livelihood and Enterprise Development Programme (LEDP)
<b>Project Implementing Agency</b>	Himalayan Chetna Education & Social Welfare Society (Hamirpur)
<b>Duration of the project</b>	18 Years
<b>Beneficiary</b>	Himalayan Chetna Education & Social Welfare Society (Hamirpur)
<b>1. No. of beneficiaries</b>	90
<b>2. Community</b>	Women SHG
<b>3. State</b>	Himachal Pradesh
<b>4. District</b>	Hamirpur
<b>5. Block</b>	Hamirpur
<b>6. Village</b>	Ghanal

#### 5.1 Support provided

- Financial (loan/grant): Grant support of Rs. 7.16 lakh had been sanctioned under Livelihood and Enterprise Development Programme (LEDP) of NABARD.
- Technical guidance was arranged, and skill-based training was provided by the implementing agency. Around 90 women of various SHGs/ JLGs were trained for 15 days in 03 groups each. The trainings were in 03 different blocks of the district.

- The implementing agency arranged a motivational speaker and a trainer specialised in Dona Pattal production (plates and bowls made of leaves). Their role was pivotal in maintaining the participants' interest and ensuring they made it to the training sessions.
- This support proved invaluable in overcoming the initial challenges of mobilising the women.

## **5.2 Pre-implementation status**

- The socio-economic status of the women was very low. Most of the women were engaged in low paying, informal, and often seasonal activities like being agricultural daily wage labourers.
- Savings were minimal and there was limited awareness of entrepreneurial opportunities. Household income was insufficient to meet family needs and members of self-help group lacked exposure to new skills and income generating activities.

## **5.3 Challenges faced**

- Initially, mobilising women for training was a challenge. The schedule, which required them to attend day-long sessions for 15 days regularly, was very difficult for women who were busy with their household and agricultural chores.
- There had been difficulty in balancing household responsibilities with training schedules.
- Post training, there was a lack of experience in production and group-based activity.
- The women faced challenges in limited access to raw materials and financial resources during the initial phase.
- Then there had been limited knowledge of marketing avenues and challenges in reaching to customers.
- The women lacked confidence in adopting new skills and turning into an entrepreneur.

## **5.4 Impact**

- Empowered by consistent motivation, training, and support from the implementing agency and NABARD, the women successfully overcame their initial barriers. The NGO played a crucial role by providing practical assistance in key areas such as accessing raw materials, marketing, transportation etc.
- Around 19 women have turned into entrepreneurs by contributing initial capital in purchasing required assets like hydraulic press machines, other infrastructure etc. They have set up "Himalayan Ecoware" entity.

- It was a traditional art of making Pattals (leaves stitched together using bamboo sticks) and using them to serve food especially Himachali Dhams on various occasions. The modern version of this art is to mould these stitched leaves into the shapes of plates or bowls.
- This modern is what the women were trained upon. Modern form can be used in more events and can also replace the plastic plates thereby reducing adverse environmental impacts caused by the use of the plastics and can also help in better health.
- With the use of modern techniques, the Dona Pattal can be considered as the revival of traditional art.
- The enterprise set up by the women has demonstrated remarkable business success, completing orders worth ₹2.50 lakh for a single vendor within a three-month period.
- This large-scale operation has created more local opportunities, with other trained women now engaged to support the unit's leave stitching activities. The supporting women are being paid upto Rs.75 per hour, thus enabling flexible working conditions.
- As a result, members who earlier earned very little are now experiencing enhanced and more reliable income by selling Dona Pattal. The earnings have improved household savings, reduced dependence on moneylenders and allowed members to meet family expenses.
- In addition to economic benefits, the project has created significant social empowerment such as establishing a stronger social identity and inspiring other women to form SHGs. The women gained confidence to participate in decision making activities, gained dignity and self-esteem.
- Overall, the project has transformed the SHGs into a self-reliant group achieving sustainable livelihoods and contributing positively to the local community development.

### Success Story 6



<b>Title</b>	Sustainable Livelihoods of Agriculture-Dependent Rural Communities in Drought Prone District of Himachal Pradesh through Climate Smart Solutions (SLADRC)
<b>Scheme</b>	NAFCC
<b>Project Implementing Agency</b>	Dept. of Environment, Science Technology and Climate Change, GoHP
<b>Duration of the project</b>	5 Years
<b>Beneficiary</b>	
<b>1. No. of beneficiaries</b>	
<b>2. Community</b>	Rural Population
<b>3. State</b>	Himachal Pradesh
<b>4. District</b>	Sirmaur
<b>5. Block</b>	Pachhad
<b>6. Village</b>	

#### 6.1 Support provided

- **Financial Support:** A grant of Rs. 20.00 Cr. was sanctioned under the NAFCC to the state government for the project.
- **Infrastructure Development:** Construction of four lift irrigation schemes, 45 micro-irrigation systems (MIS), 29 ponds, and 23 irrigation channels were completed.
- **Capacity Building:** Training was provided to farmers using modules developed with study materials in Hindi and English to promote climate resilience agriculture.

- **Supply of Resources:** 1200 quintals of various crop seeds were provided to promote intercropping among the farmers.
- **Risk Mitigation:** An innovative 'Assurance Fund' was created to provide immediate relief to farmers affected by natural calamities, ensuring a unique risk transfer mechanism.

## **6.2 Pre-implementation status**

- Before the project's implementation, the farming communities in the three blocks of the district faced significant challenges due to limited access to water resources, insufficient knowledge on climate resilience, and lack of proper risk mitigation strategies. These limitations hindered the adoption of sustainable agricultural practices.

## **6.3 Challenges faced**

- **Vulnerability Analysis:** Conducting community-based vulnerability analysis to identify key activities for mitigation and select beneficiaries in the drought-prone areas of Sangrah, Pachaad, and Paonta Sahib blocks.
- **Training Needs Identification:** Determining the type of farming training and promotional activities suitable for the project area to ensure maximum effectiveness.
- **Irrigation Schemes Selection:** Identifying irrigation schemes that could potentially benefit the maximum number of small and marginal farmers, ensuring efficient resource allocation.

## **6.4 Impact**

- **Enhanced Water Access:** The completion of irrigation infrastructures like ponds, lift irrigation, and channels significantly improved water access for about 2000 families, enabling them to cultivate crops even during dry spells.
- **Educated Farming Community:** The extensive training program equipped 20,000 farmers with the necessary skills and knowledge to adopt sustainable and climate-resilient farming practices.
- **Improved Crop Diversity:** The distribution of seeds encouraged intercropping, which not only optimizes land use but also reduces crop failure risk.
- **Increased Security:** The assurance fund provided a safety net for farmers, fostering a more secure farming environment that encourages investment and innovation in agriculture.

## Appendix I - Climate Action & Sustainability

### 1. Climate Change Scenario and its Impact

India is one of the most climate vulnerable country on account of predominantly agriculture economy and high dependence on natural resources. Two third of the population lives in rural areas and is dependent on agriculture & allied activities which are impacted by climatic factors. The climate change will impact the productivity of crops, livestock and fish production and bound to affect food security, livelihood, and sustainability of agriculture operations. The projections from climate models indicate the loss of production and productivity in near future on account of extreme climate events. IPCC, 2022 and ICAR – CRIDA 2 Vulnerability Assessment report, has classified 109 (19%) districts in very high risk and 201 (35%) districts in high-risk category out of total assessed 573 districts.

#### 1.1 Climate Finance and Challenges

There is huge funding requirement to finance interventions proposed under NAPCC and SAPCC. It is estimated that to meet NDC action plan, financial resources to the tune of 2.5 trillion US dollar are required up to 2030. The net zero carbon emissions targets by 2070 requires financial resources of 10.1 trillion US dollar. The technological and financial resources for this are not forthcoming from the developed nations as per PARIS Agreement commitments.

#### 1.2 Initiatives of Govt. of India

As per National Action Plan on Climate Change (NAPCC), GOI introduced eight National Missions to focus on climate change adaptation and mitigation measures in various sectors. One of the mission focuses on sustained Himalayan Ecosystem. A mission on Change in mindset and behaviour for moving away from thoughtless and harmful consumption was introduced and named as LiFE (Lifestyle for the Environment). In addition to this, promotion of Renewable Energy, Afforestation and climate-resilient and climate smart agriculture is being undertaken on large scale in addition to focus on renewable energy and energy efficiency.

#### 1.3 Initiatives of RBI

RBI has laid out guidelines for voluntary initiatives by regulated entities (REs) on green finance, setting up of green branches and green data centres, encouraging greater use of electronic means of communication instead of paper, and renewable energy sources. The RBI has issued guidelines on 'Disclosure framework on climate related financial risks' which mandates disclosure by REs on governance, strategy, risk management, metric, and targets. This step will bring the climate risk assessment, measurement, and reporting requirements under mainstream compliance framework for financial sector entities in India.

## 1.4 Initiatives of NABARD

The NABARD is taking climate adaptation and mitigation interventions through its Natural Resource Management Initiatives. It is also one of the main Climate resource channelling agencies for International and National Climate Adaptation and Mitigation funds viz. Adaptation Fund (AF), Green Climate Fund (GCF), and National Adaptation Fund for Climate Change (NAFCC). NABARD supported forty climate change projects across India amounting to Rs. 1971 crore under these funds. A Voluntary Carbon Markets Implementation MoU was signed with MoA&FW. A Green Lending Facility, Solar Roof top refinance Scheme and Climate Change Fund was also introduced to support Climate Change ecosystem. NABARD has also formulated its climate strategy roadmap for 2030 to transform towards Green Institution.

## 2. Climate Change Scenario - At the State Level

Himachal Pradesh faces climate vulnerabilities due to its fragile mountain ecosystem and dependence on climate-sensitive sectors like agriculture, horticulture, forests, and water resources. Rising temperatures, erratic rainfall, and extreme weather events such as cloudbursts, flash floods, landslides, and forest fires are reshaping the state's ecological and economic landscape.

The State Action Plan on Climate Change (SAPCC 2021–2030) highlights risks including glacial retreat, shifting vegetation zones, biodiversity loss, and agricultural instability. Apple cultivation zones are moving upward, wheat yields are declining, and pest and disease outbreaks are increasing, threatening food security and rural livelihoods.

Water security is another critical concern, with declining spring discharge and variable river flows affecting drinking water, irrigation, and hydropower generation. Despite economic diversification, a large share of livelihoods remains tied to the primary sector, making growth highly sensitive to climate shocks. Recent disasters, including the 2023-25 monsoon floods, shows the need for coordinated action. While there are ongoing efforts to mitigate these impacts, strengthening resilience through sustainable development, climate-smart agriculture, and ecosystem conservation is essential to safeguard communities and ensure long-term sustainability.

### 2.1 State Action Plan for Climate Change and Climate Strategy

The HP SAPCC aligns with India's Nationally Determined Contributions (NDCs) and Sustainable Development Goals (SDGs). Himachal Pradesh has adopted a dual approach to tackle climate change through adaptation and mitigation measures as follows:

#### A: Adaptation Strategies:

- Promote natural farming, soil conservation, and watershed & spring development.
- Expand irrigation and introduce climate-resilient crop varieties.
- Strengthen health infrastructure and disease surveillance systems.

**B: Mitigation Strategies:**

- Accelerate renewable energy adoption (solar, hydro, biomass).
- Promote electric mobility and energy efficiency in transport and industry.
- Implement afforestation and biodiversity conservation programs.

**2.2 Any specific Climate Change initiative in the State by Govt. of India**

The Government of India has introduced several climate-focused initiatives in Himachal Pradesh to enhance resilience and sustainability.

- The National Food Security Mission (NFSM) promotes climate-resilient agriculture by improving rice and wheat productivity.
- The National Mission on Sustainable Agriculture (NMSA) supports soil health management, rainfed area development, and agroforestry to combat climate variability.
- Under the Green India Mission, afforestation and ecosystem restoration programs aim to increase carbon sinks and biodiversity.
- The National Electric Mobility Mission (NEMM) drives clean transport through EV adoption and charging infrastructure, complemented by state subsidies for e-buses and e-taxis. These initiatives collectively strengthen food security, reduce emissions, and align Himachal Pradesh with India's NDC and SDG commitments.

**2.3 Any specific Climate Change initiative in the State by the State Government**

Himachal Pradesh has launched several state-level initiatives under its State Action Plan on Climate Change to address climate risks.

- Key programs include Rajiv Gandhi Van Samvardhan Yojana, targeting afforestation of 5,000 hectares to enhance carbon sinks and biodiversity.
- The state promotes natural farming and watershed development under the Sustainable Agriculture Mission to improve soil health and climate resilience.
- For clean mobility, Himachal plans to deploy five hundred electric buses and convert 3,000 taxis to EVs with subsidies, supported by 80 EV charging stations.
- Renewable energy expansion is a priority, with a target of 500 MW solar capacity by 2026–27 and commissioning of major hydro projects like Shongtong (450 MW).

**2.4 Any specific Climate Change initiative in the State by NABARD**

- NABARD, as the National Implementing Entity for Adaptation Fund, Green Climate Fund, and NAFCC, is driving impactful climate actions in Himachal Pradesh. It facilitated the ₹20 crore project “Sustainable Livelihoods of Agriculture Dependent Communities” in Sirmaur, benefiting 30,000 farmers through climate-smart agriculture and drought resilience.

- NABARD has also supported Government of Himachal Pradesh for EV infrastructure with charging stations at 80 locations across eleven districts.
- A project under skill development for EV charging station maintenance is also under implementation for rural youth.
- Additionally, the JIVA Project promotes natural farming in Solan district, covering two hundred hectares and five hundred farmers.
- Horticulture diversification is being promoted in Kullu district by supporting development of Persimmon orchards in view of climate effects on apple production.

These initiatives strengthen adaptation, green mobility, and sustainable agriculture, positioning Himachal Pradesh as a model for climate resilience and low-carbon growth.

### **2.5 Any specific Climate Change initiative in the State by Any Other Agency**

The State Government is taking following interventions to promote climate resilience in diverse sectors: -

- The State Government is focussing of crop diversification in agriculture and horticulture sector to make rural livelihood climate resilient.
- The State is promoting concept of eco-village and Bio-village for climate resilience in rural areas.
- The Farming technology is being gradually directed towards Natural farming techniques.
- The Solar rooftop technology is being popularised through Gram Panchayats.
- The adoption of electrical vehicles is being promoted among government and private stakeholders.
- The adoption of ropeways is being promoted in feasible areas.
- The State has focussed on development of low chilling apple varieties to sustain climate variability.
- The State is focussing on more robust early warning system to mitigate the losses on account of natural disasters due to climate change.
- The eco-tourism is being promoted to mitigate the adverse impact of unrestricted tourist inflow.
- The protected cultivation is being promoted to mitigate climate related production losses.

## Appendix II a - Potential of Geographical Indications

### 1. GI scenario at national level and benefits of GI

Geographical Indications (GI) are products which are linked to a place of origin and possess certain qualities, characteristics or reputation that are due to that place. GI are governed globally under the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) at the World Trade Organization (WTO). In India, the GI framework is established through the enactment of the Geographical Indications of Goods (Registration and Protection) Act, 1999.

GI is a form of Intellectual Property Right that identifies goods originating from a specific geographical location and having distinct nature, quality and characteristics linked to that location. GI provides legal rights to its Authorised Users, to prevent its use by a third party whose product does not conform to the applicable standards. GI products can be broadly categorized as (i) Handicrafts, including handloom textiles; (ii) Food items, including sweets and ethnic cuisines; (iii) Wine and Drinks; (iv) Manufactured Products and (v) Agricultural Products.

#### **Broad Framework to identify Potential GI products:**

- a. The product should have emanated from a particular geographical area.
- b. The products should possess certain features, characteristics that link it with the geographical area. In case of agricultural products, the linkage should be direct i.e. in terms of climate, topography, soil condition etc., whereas in case of non-agricultural products, the linkage can be direct or indirect.
- c. The product should have a history of production in that area.
- d. The product should have reputation in that area.
- e. The product should possess special quality or uniqueness and
- f. The product/ manufacturers of that product belong to a particular community or are concentrated in that geographical region.

India is bestowed with rich heritage of culture and traditions, that are flourishing here for past several centuries. In addition to this it has enormous biodiversity and has diverse agroclimatic conditions, which lead to many geographic specific IPR products in agriculture and other sectors. The GI registration has high significance in the country like India as it has been proven in the case of Basmati rice, where foreign exports earning is about Rs.38,443 crore. As on 31.12.2025, there were 684 registered GI products in India, highlighting the rich culture and heritage of the country.

Benefits of GI registration are narrated as under:

- a. **Economic Benefits:** A GI tag can help in improving the marketability of products and opens opportunities for international trade. They can boost local economies by adding value to traditional products and attracting premium prices in both domestic and global markets.

- b. Cultural Preservation:** By protecting traditional products, India can ensure the survival of its unique skills and knowledge.
- c. Preventing Misuse and Counterfeiting:** GI registration helps prevent unauthorized producers from exploiting the reputation and goodwill associated with a particular region or product.
- d. Rural Development:** The increased demand for GI registered products can create new employment and/ or enhanced livelihood opportunities, leading to rural development and poverty alleviation in the region.
- e. Assured Quality:** GI registration guarantees that the product is of a certain standard, quality and is authentic."

## **1.2 Initiatives of GoI, NABARD and any other agency in promoting GI**

### **1.2.1 Initiatives of Government of India to promote GI:**

- a Geographical Indications of Goods (Registration and Protection) Act, 1999: The Act provides a legal framework for the registration, protection, and enforcement of GIs in India. It prevents the use of GI tags by non-Authorized Users and ensures that the benefits are shared by the actual producers by preventing infringement.
- b. Establishment of Geographical Indications Registry: The GI Registry has been set up under DPIIT, Ministry of Commerce & Industry for ensuring adherence to quality standards and regulations for GI products.
- c. One District One Product Initiative: This scheme was introduced by the Government of India to foster balanced regional development across all districts of the country by selecting, branding, and promoting at least One Product from each District of the country. 1102 products from 761 districts across India have been identified, many (around 400+) of them being GI products (Source: KPMG & IBEF).
- d. National IPR policy, 2016 provides strong emphasis on promotion of GIs across the country.
- e. Creating awareness about significance of GIs, promoting registered Indian GIs, identify potential GIs and encourage stakeholders towards registration.
- f. Buyer-Seller Meets (BSMs) and Creating Market Linkages.

### **1.2.2 Initiatives of NABARD in promotion of GI:**

NABARD introduced a comprehensive scheme in 2019 to provide end-to-end support to facilitate registration of GI for Agri as well as non-Agri products along with pre-registration and post-registration activities to enhance quality, improve market access, create awareness and strengthen producers' capacity.

NABARD's interventions in the GI domain are as under:

- Mobilisation of artisans/ producers & awareness creation
- Support for registration of products as GI and renewal of existing GI products.
- Registration of producers/ manufacturers as Authorised Users
- Marketing Initiatives for GI Products such as Buyer-Seller Meets, Sponsoring stalls, GI exhibitions/ Melas.
- Awareness creation through social media campaigns, e-portals, websites, documentation through brochures and catalogues.
- Capacity building of artisans through workshops, conferences, seminars, training programmes etc. and reviving/ keeping alive 'dying arts'.

As on date, NABARD has supported 283 products for GI registration of which 130 products have already been granted GI certification. Further, various exhibitions/ melas and dedicated outlets for marketing of GI products are also being supported.

## Appendix II b - Potential of Geographical Indications in the State

### 2 GI scenario at State level

A geographical indication (GI) is a name or sign used on certain products which corresponds to a specific geographical location or origin (e.g., a town, region, or country). Himachal Pradesh is the 1st state to formulate "Policy for the Registration and Protection of Geographical Indication of Goods in Himachal Pradesh".

The GI Tags of Himachal Pradesh are listed below-

1. **Chamba Chappal:** A traditional slipper made from sheep and goat skin, featuring intricate "Chamba Kadhai" embroidery using bright silk threads. Known for motifs of lantana flowers and leaves, these slippers have a rich history dating back to the reign of King Charat Singh.
2. **Kangra Tea:** A high-quality tea grown in the Kangra Valley, known for its unique aroma, flavour, and colour. Both black and green tea varieties are cultivated, with black tea having a sweet aftertaste and green tea offering a woody aroma.
3. **Himachali Kala Zeera:** A wild spice grown in the high mountainous regions of Himachal, valued for its medicinal properties and unique flavour. The spice is darker and sweeter than other varieties, used in cooking and healing.
4. **Kangra Painting:** Originating in the Kangra region, this painting style developed under Raja Govardhan Chand's patronage. It focuses on romantic and devotional themes, particularly the love of Radha and Krishna, with vibrant colours and lyrical expression.
5. **Chamba Rumal:** A unique embroidery craft from Chamba, featuring double satin stitch ("dorukha-tanka"). It often depicts religious themes like the Krishna Leela and uses bright, intricate patterns.
6. **Himachali Chulli Oil:** Extracted from wild apricot and peach, this oil is rich in essential fatty acids, vitamins, and antioxidants. It is used for skincare, hair growth, and medicinal purposes, including pain relief and cholesterol regulation.
7. **Lahauli Socks and Gloves:** Handmade from local sheep wool, these items feature traditional eye-catching patterns called 'dashi.'
8. **Kinnauri Shawls:** Woolen shawls from Kinnaur, known for their traditional geometric and Buddhist-inspired designs. The shawls are made using soft wool and are adorned in five primary colours representing natural elements.
9. **Kullu Shawls:** A distinctive feature of Kullu Shawls is the stripes running horizontally widthwise at the lateral ends. These bands are decorated with a variety of patterns woven in brilliant colours.
10. **Basmati Rice:** It is a long grain aromatic rice grown in Indian Sub-continent.

## **2.1 Initiatives of State Government, NABARD and any other agency in promoting GI in the State.**

- In Himachal Pradesh, the Geographical Indications are protected under the Geographical Indications of Goods (Registration and Protection) Act, 1999 of Govt. of India and the Geographical Indications of Goods (Registration & Protection Rules, 2002).
- H.P. Patent Information Centre (HPPIC) established in the State Council for Science, Technology and Environment, H.P by Technology Information Forecasting and Assessment Council (TIFAC), Department of Science and Technology, Govt. of India will be the nodal agency for the protection of Intellectual Property Rights and Geographical Indications i.e traditional/natural/manufactured/ agricultural/ horticultural products and goods in the State.

## **2.2 Successful NABARD's intervention in Geographical Indications in the State.**

NABARD in Himachal Pradesh has identified 03 potential products for GI registration-

### **1. Ransingha (Musical Instrument):**

Ransingha is a traditional instrument used all over Himachal Pradesh for special occasions like festivals, welcoming VIPs, marriages, etc. It is also called an Indian Trumpet. This instrument is made of two brass and copper metal curves. The instrument consists of two parts, which are joined together. Both parts are of the shape of the English alphabet C. One part is thicker and broader than the other part. Both the parts are joined in such a way that the shape looks like the alphabetical letter S. The player blows Ransingha with great force by his mouth, which enables it to bring out a sound through the broader and thicker end by holding it in the air. Only one or two notes can be obtained through this instrument.

### **2. Himachal Wood Craft:**

Himachal is the one of those areas in India where wood has played a significant role as a structural material. Pine, Cedrus deodara, walnut, horse chestnut and wild black mulberry are found in abundance in Himachal Pradesh. Places famous for woodcraft are Chamba, Tisza, Kalpa, Kinnaur district and Kullu. Village homes are constructed with carvings on doors, windows, balcony panels etc. This can be found in remote areas of the state, especially in the districts of Kinnaur and Kullu . Some of the memorable carvings are Shiva and Parvati sitting on the back of the Nandi Bull with the holy Ganges flowing out of Shiva's tresses on the entrance door of the sun temple at Beerath near Shimla.

### 3. **Sirmaur Handmade Galecha (Carpet):**

Sirmaur Handmade Galecha is weaved by local sheep wool. The galechas tend to follow either of the following two patterns: a dragon or a set of auspicious symbols as a central motif on a plain base, or repetitions of anyone auspicious symbol running through the center with a traditional border. The Handmade galecha is so densely weaved that water can't percolate easily' through them. The motifs and designs used are of various categories; geometrical, floral, plant, birds, fish, human figures and animals and other pictorial representations of hypothetical nature usually with symmetrical borders. The application with respect to Himachal handemaded galecha is at Examination stage of GI registry Chennai.

## Appendix III a - PM Dhan Dhanya Yojana

### 1 Potential under PM Dhan Dhanya Yojana in the District

#### A Objectives

Bilaspur district has been selected under PMDDKY based on low productivity moderate crop intensity and below-average access to credit. The scheme was announced in the Union Budget 2025 and launched in July 2025.

The major objectives of the scheme cover:

- i. Enhancing agricultural productivity
- ii. Crop diversification & sustainable practices
- iii. Post-harvest storage and value addition
- iv. Improving irrigation infrastructure. Access to agricultural credit

#### B Coverage

- i. Farming in Bilaspur district is currently held back by small, scattered landholdings and a heavy reliance on rainfall for major crops like maize and wheat. To boost low production levels the district may focus on using high-quality varieties improving soil health through balanced fertilising and introducing modern machinery and tools. Schemes like Rashtriya Krishi Vikas Yojana (RKVY) and Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) may help move from traditional struggles and help farmers grow more food with better technology and reliable irrigation.
- ii. Agriculture in the district is primarily focused on grain production but the local climate is well-suited for growing profitable crops like vegetables, spices and horticulture crops. Switching to these high-value crops can significantly boost farmer income. Crop diversification and sustainable practices through integrated farming organic farming and soil and water management practices are required to be scaled up.
- iii. Bilaspur district significantly lacks proper storage, grading and processing facilities especially for perishable crops like fruits and vegetables. Given the geographic landmass of the district decentralised storage can be more appropriate. Further storage houses can be integrated with grading, sorting facilities and pack houses allowing farmers a one-stop solution in their near vicinity. Cooperative Societies and FPOs can play an important role in decentralised storage facilities and enhancing the integrated value chains. Schemes like Agricultural Marketing Infrastructure (AMI), Agriculture Infrastructure Fund (AIF), PM Formalisation of Micro Food and Processing Enterprises (PM-FME) and Pradhan Mantri Kisan Sampada Yojana (PMKSY) can be helpful be it individual entrepreneurs, cooperative societies, FPOs or other agencies.

- iv. In Bilaspur district, most of the agricultural land is currently irrigated via small canals (kuhls) and lift irrigation schemes leaving most areas dependent on unpredictable rainfall. To ensure crop security there is a need for the expansion of drip and sprinkler systems alongside the restoration of traditional water bodies (canals, tanks, kuhls etc.). Watershed development projects can be beneficial in recharging the groundwater and preventing topsoil erosion. These efforts can be converged for sustainable year-round farming.
- v. Agriculture credit should be enhanced by saturating all the PM-Kisan and PMFBY beneficiaries with Kisan Credit Card. Also farmers need to be made aware of the benefits of major long-term investments like machinery or infrastructure for modernisation in agricultural practices.

### **C Key Features**

PMDDKY has been designed to transform underperforming agricultural districts like Bilaspur. Key features of the scheme include the convergence of 36 existing central sector schemes from 11 different ministries into a unified data-driven framework. It includes a six-year implementation period (FY 2025–26 to 2030–31) focusing on a "saturation approach" to improve irrigation storage and credit access. Schemes feature a multi-tiered governance structure monitored via a digital dashboard with 117 Key Performance Indicators (KPIs). Its importance lies in its mission to bridge regional productivity gaps to improve the livelihoods and income of small and marginal farmers by shifting the agricultural model from production-centric to income-centric.

### **D Implementation**

Implementation strategy under PMDDKY involves a multi-tiered governance structure where the District Dhan-Dhaanya Krishi Yojana Samiti headed by the District Collector serves as the core implementation strategy focusing on priorities like water conservation crop diversification and climate-resilient farming. The district samiti is reviewed by a State Samiti led by the Chief Secretary and overseen at the National level by an Executive Committee (chaired by the Union Agriculture Minister) and a Monitoring Committee (chaired by the Secretary DA&FW) to ensure the localised plans effectively boost farmer incomes and rural livelihoods. In Bilaspur district the district-level committee has been formed and the District Action Plan has been prepared by taking inputs from all the stakeholders.

### **E Way Forward**

By implementing the District Action Plan formulated under the PMDDKY, it can be anticipated that there will be a boost to the agricultural productivity through climate-resilient irrigation crop diversification, migrating to high-value sectors like dairy and horticulture. The scheme prioritises establishing post-harvest infrastructure and digital market linkages to minimise waste and ensure farmers receive maximum value for their produce. By bridging the gaps as detailed above Bilaspur district can definitely be transformed into an agricultural hub.

## **Appendix III b - Rural Prosperity and Resilience Programme**

### **Potential under Rural Prosperity and Resilience Programme**

#### **A Objectives**

The programme aims to enhance rural livelihoods reduce poverty and build resilience in rural communities. Its objectives include improving agricultural productivity promoting sustainable farming practices expanding post-harvest infrastructure facilitating credit access and creating employment opportunities through skill development and entrepreneurship.

#### **B Coverage**

It covers 100 aspirational agricultural districts across India selected based on low productivity moderate crop intensity and limited credit access. Representation from all states ensures balanced regional development.

#### **C Key Features**

Convergence of multiple central and state schemes.Promotion of crop diversification and climate-resilient practices.Digital enablement through farmer apps and dashboards.Private sector participation and CSR engagement.Capacity building through Krishi Vigyan Kendras and agricultural universities.

#### **D Implementation**

Multi-level committees at national state and district levels.

District-level plans based on baseline surveys with five-year outcome targets and annual physical/financial targets.

Monitoring through NITI Aayog dashboard with monthly rankings and KPIs.

Seasonal awareness events and dedicated mobile app for farmers.

#### **E Way Forward**

Strengthen planning and convergence enhance digital platforms promote private investment in infrastructure ensure credit and insurance saturation and foster sustainable practices. Continuous monitoring capacity building and replication of best practices will be critical for success.

## Annexure I

### Credit Potential for Agriculture

#### A. Farm credit

(₹ Lakh)

Sr. No.	District	Crop Production, Maintenance and Marketing	Water Resources	Farm Mechanization	Plantation & Horticulture		Forestry & Waste Land Development	Farm Credit- Others
					Term Loan	Working Capital		
1	Bilaspur	46567.17	1692.60	2126.82	2785.97	218.15	570.80	354.40
2	Chamba	61612.94	180.25	819.48	1140.33	219.67	31.32	250.18
3	Hamirpur	51497.34	1994.10	2447.08	2751.08	193.85	1645.71	375.57
4	Kangra	148200.04	1935.84	4195.02	552.78	2682.02	6789.67	57031.00
5	Kinnaur	29790.46	329.52	342.27	1976.40	0.00	0.00	190.35
6	Kullu	132055.19	2115.15	4104.59	4002.07		74.39	
7	Lahaul And Spiti	13459.60	327.51	828.46	1058.20		12.40	
8	Mandi	178721.00	1696.14	2671.48	7248.34	320.32	157.21	15074.48
9	Shimla	379728.78	6955.66	9658.64	51207.87	0.00	9736.47	39030.59
10	Sirmaur	70329.26	2593.12	3247.30	3941.62	192.24	149.40	79.73
11	Solan	70313.88	1571.64	846.04	2882.34		15.10	131.61
12	Una	66513.22	662.36	1391.80	402.30	196.79	125.82	15139.43
<b>Total</b>		<b>1248788.88</b>	<b>22053.89</b>	<b>32678.98</b>	<b>79949.30</b>	<b>4023.04</b>	<b>19308.29</b>	<b>127657.34</b>

(₹ Lakh)

Sr. No.	District	AH - Dairy		AH - Poultry		AH - Sheep, Goat, Piggery		Fisheries		Subtotal (A)
		Term Loan	Working Capital	Term Loan	Working Capital	Term Loan	Working Capital	Term Loan	Working Capital	
1	Bilaspur	3992.87	7674.85	491.32	257.41	446.49	205.30	551.86	608.90	68544.91
2	Chamba	1676.52	5545.66	146.85	15.42	121.42	24.52	99.94	54.37	71938.87
3	Hamirpur	4386.15	7295.49	541.28	376.15	394.93	294.53	171.61	183.85	74548.72
4	Kangra	18085.10	14918.33	1423.43	2093.74	34.64	570.74	513.78	1364.46	260390.59
5	Kinnaur	330.05	1319.73	68.19	0.00	129.82	0.00	19.26	0.00	34496.05
6	Kullu	2197.61	1340.68	462.60	0.00	491.93	0.00	248.02	41.19	147133.42
7	Lahaul And Spiti	62.70	119.41	18.24	0.00	129.64	0.00	19.47		16035.63
8	Mandi	5428.88	7063.75	616.20	800.65	2769.92	318.78	134.36	104.67	223126.18
9	Shimla	14300.64	0.00	4311.59	0.00	1442.68	0.00	273.00	0.00	516645.92
10	Sirmaur	846.49	12072.59	659.49	501.27	674.16	130.38	138.61	130.30	95685.96
11	Solan	1902.12	15383.38	399.23	0.00	171.90	0.00	49.14	231.12	93897.50
12	Una	1728.17	2083.02	381.86	342.50	28.37	35.04	147.10		89177.78
<b>Total</b>		<b>54937.30</b>	<b>74816.89</b>	<b>9520.28</b>	<b>4387.14</b>	<b>6835.90</b>	<b>1579.29</b>	<b>2366.15</b>	<b>2718.86</b>	<b>1691621.53</b>

**B. Agriculture Infrastructure**

(₹ Lakh)

Sr. No.	District	Construction of storage facilities	Land development, Soil conservation, Wasteland development	Agriculture Infrastructure - Others	Subtotal (B)
1	Bilaspur	565.48	974.79	139.42	1679.69
2	Chamba	1041.68	231.77	20.73	1294.18
3	Hamirpur	767.10	1559.55	505.78	2832.43
4	Kangra	2713.34	7252.61	137.94	10103.89
5	Kinnaur	938.24	1232.32	10.59	2181.15
6	Kullu	3326.41	821.07	1811.63	5959.11
7	Lahaul And Spiti	496.72	43.22	111.48	651.42
8	Mandi	5092.76	2690.59	1193.61	8976.96
9	Shimla	12765.75	4434.65	185.24	17385.64
10	Sirmaur	3268.62	2727.21	766.96	6762.79
11	Solan	6331.73	37.14	46.20	6415.07
12	Una	2360.17	887.35	554.19	3801.71
<b>Total</b>		<b>39668.00</b>	<b>22892.27</b>	<b>5483.77</b>	<b>68044.04</b>

**C. Ancillary activities**

(₹ Lakh)

Sr. No.	District	Food & Agro. Processing	Ancillary activities - Others	Subtotal (C)	Total Agriculture I = (A + B + C)
1	Bilaspur	1016.16	233.81	1249.97	71474.57
2	Chamba	353.21	1511.16	1864.37	75097.42
3	Hamirpur	1573.69	410.97	1984.66	79365.81
4	Kangra	6592.01	3040.94	9632.95	280127.43
5	Kinnaur	549.74	72.10	621.84	37299.04
6	Kullu	6498.09	3023.06	9521.15	162613.68
7	Lahaul And Spiti	317.66	159.65	477.31	17164.36
8	Mandi	2714.15	4351.76	7065.91	239169.05
9	Shimla	3150.00	2866.00	6016.00	540047.56
10	Sirmaur	6053.43	1543.34	7596.77	110045.52
11	Solan	8618.86	2816.24	11435.10	111747.67
12	Una	1838.17	520.30	2358.47	95337.96
<b>Total</b>		<b>39275.17</b>	<b>20549.33</b>	<b>59824.50</b>	<b>1819490.07</b>

**Other Sector (II to V)**

(₹ Lakh)

Sr. No.	District	Micro, Small and Medium Enterprises	Export Credit	Education	Housing
		II	III	IV	V
1	Bilaspur	77134.60	56.25	1600.80	7580.80
2	Chamba	54795.00	37.50	408.00	6768.00
3	Hamirpur	108604.00	18.75	2001.60	11574.40
4	Kangra	367852.80	112.50	5268.00	40789.60
5	Kinnaur	16507.00	0.00	108.00	2556.00
6	Kullu	99828.80	243.75	588.00	7184.00
7	Lahaul And Spiti	4112.00	18.75	120.00	562.40
8	Mandi	150332.00	131.25	19880.00	20140.00
9	Shimla	253408.00	168.75	6012.00	32276.00
10	Sirmaur	297408.00	168.75	2139.20	18134.40
11	Solan	804550.00	375.00	1212.00	14204.00
12	Una	148240.00	300.00	1740.00	7480.00
<b>Total</b>		<b>2382772.20</b>	<b>1631.25</b>	<b>41077.60</b>	<b>169249.60</b>

**Other Sector (VI to VIII)**

(₹ Lakh)

Sr. No.	District	Social Infrastructure	Renewable energy	Others	Total Priority Sector
		VI	VII	VIII	
1	Bilaspur	306.40	605.25	3824.00	162582.67
2	Chamba	525.00	112.50	1100.00	138843.42
3	Hamirpur	272.10	657.00	3796.00	206289.66
4	Kangra	1658.40	3109.50	10280.00	709198.23
5	Kinnaur	154.80	174.15	610.00	57408.99
6	Kullu	1665.60	559.35	1304.00	273987.18
7	Lahaul And Spiti	262.50	456.35	68.00	22764.36
8	Mandi	2490.00	4472.10	8400.00	445014.40
9	Shimla	1875.00	379.53	101434.50	935601.34
10	Sirmaur	763.00	427.50	4588.00	433674.37
11	Solan	60.00	90.00	6500.00	938738.67
12	Una	1125.00	167.27	2500.00	256890.23
<b>Total</b>		<b>11157.80</b>	<b>11210.50</b>	<b>144404.50</b>	<b>4580993.52</b>

## Annexure II

### Overview of Ground Level Credit Flow - Agency-wise and Sector-wise - for years 2022-23, 2023-24, 2024-25 and Target for current 2025-26

(₹ Lakh)

Particulars	2022-23		2023-24		2024-25		2025-26	
	Target	Ach.	Target	Ach.	Target	Ach.	Target	Ach.
CBs	5684.88	4767.70	6979.89	4151.21	7120.12	5009.29	11707.96	11707.96
RCBs	2201.89	1821.80	2502.24	1925.80	2840.25	1954.02	4342.38	4342.38
SCARDB	194.97	0.00	223.40	0.00	229.97	0.00	26.35	26.35
RRBs	1053.78	1645.76	1271.88	1973.49	1454.15	2885.44	2465.61	2465.61
Others	23.22	0.00	25.92	0.00	35.63	0.00	63.01	63.01
<b>Sub total (A)</b>	<b>9158.74</b>	<b>8235.26</b>	<b>11003.33</b>	<b>8050.50</b>	<b>11680.12</b>	<b>9848.75</b>	<b>18605.31</b>	<b>18605.31</b>

Particulars	2022-23		2023-24		2024-25		2025-26	
	Target	Ach.	Target	Ach.	Target	Ach.	Target	Ach.
CBs	2945.40	1206.48	3083.49	1205.61	3176.56	1552.04	3636.07	3636.07
RCBs	1074.89	672.05	1085.90	917.90	1208.54	1085.33	1358.74	1358.74
SCARDB	125.92	86.12	147.46	49.35	172.31	48.03	341.53	341.53
RRBs	557.42	24.65	549.02	43.02	564.34	61.01	581.09	581.09
Others	16.85	82.24	52.16	53.05	56.31	31.38	77.09	77.09
<b>Sub total (B)</b>	<b>4720.48</b>	<b>2071.54</b>	<b>4918.03</b>	<b>2268.93</b>	<b>5178.06</b>	<b>2777.79</b>	<b>5994.52</b>	<b>5994.52</b>

(₹ Lakh)

Table 3: Total Agri. Credit

Particulars	2022-23		2023-24		2024-25		2025-26	
	Target	Ach.	Target	Ach.	Target	Ach.	Target	Target
CBs	8630.28	5974.18	10063.38	5356.82	10296.68	6561.33	15344.03	
RCBs	3276.78	2493.85	3588.14	2843.70	4048.79	3039.35	5701.12	
SCARDB	320.89	86.12	370.86	49.35	402.28	48.03	367.88	
RRBs	1611.20	1670.41	1820.90	2016.51	2018.49	2946.45	3046.70	
Others	40.07	82.24	78.08	53.05	91.94	31.38	140.10	
<b>Sub total (C)</b>	<b>13879.22</b>	<b>10306.80</b>	<b>15921.36</b>	<b>10319.43</b>	<b>16858.18</b>	<b>12626.54</b>	<b>24599.83</b>	

Table 4: MSME

Particulars	2022-23		2023-24		2024-25		2025-26	
	Target	Ach.	Target	Ach.	Target	Ach.	Target	Target
CBs	7476.53	11308.74	8474.30	13426.64	11128.19	15282.94	16132.10	
RCBs	1563.89	1266.70	1577.36	1282.77	1793.43	1680.54	3370.12	
SCARDB	29.27	7.39	31.28	2.48	31.46	0.51	43.48	
RRBs	756.37	1105.00	793.08	691.50	973.99	488.58	1536.16	
Others	61.04	115.66	79.25	225.55	149.60	231.72	429.14	
<b>Sub total (D)</b>	<b>9887.10</b>	<b>13803.49</b>	<b>10955.27</b>	<b>15628.94</b>	<b>14076.67</b>	<b>17684.29</b>	<b>21511.00</b>	

(₹ Lakh)

Particulars	2022-23		2023-24		2024-25		2025-26	
	Target	Ach.	Target	Ach.	Target	Ach.	Target	Ach.
CBS	3060.66	998.29	3082.05	905.84	3517.63	1196.22	2536.02	1196.22
RCBs	1036.52	1079.88	995.98	1480.25	1135.16	1437.40	897.72	1437.40
SCARDB	83.67	23.02	80.41	14.50	102.24	6.49	58.46	6.49
RRBs	323.89	153.43	328.45	199.59	508.50	146.96	369.84	146.96
Others	35.03	26.68	34.33	26.34	47.69	20.50	45.13	20.50
<b>Sub total (E)</b>	<b>4539.77</b>	<b>2281.30</b>	<b>4521.22</b>	<b>2626.52</b>	<b>5311.22</b>	<b>2807.57</b>	<b>3907.17</b>	<b>2807.57</b>

Particulars	2022-23		2023-24		2024-25		2025-26	
	Target	Ach.	Target	Ach.	Target	Ach.	Target	Ach.
CBS	19167.47	18281.21	21619.73	19689.30	24942.50	23040.49	34012.15	23040.49
RCBs	5877.19	4840.43	6161.48	5606.72	6977.38	6157.29	9968.96	6157.29
SCARDB	433.83	116.53	482.55	66.33	535.98	55.03	469.82	55.03
RRBs	2691.46	2928.84	2942.43	2907.60	3500.98	3581.99	4952.70	3581.99
Others	136.14	224.58	191.66	304.94	289.23	283.60	614.37	283.60
<b>Grand Total</b>	<b>28306.09</b>	<b>26391.59</b>	<b>31397.85</b>	<b>28574.89</b>	<b>36246.07</b>	<b>33118.40</b>	<b>50018.00</b>	<b>33118.40</b>

Note : \*OPS includes Export Credit, Education, Housing, Social Infrastructure, Renewable Energy

Note : # RCBs include StCBs, DCCBs and PACS (if any)

### Annexure III

#### Critical Infrastructure Support to be provided

Str. No.	District	Sector	Activity/Description	Total Financial Outlay (TFO) (Rs. Lakh)	Likely impact/Outcome
1	Shimla	Storage	CA store with packaging and grading facility in Chopal block of Shimla district	6000.00	A CA store in Chopal will help farmers store apples longer, reduce wastage, cut transport costs, and earn better prices by selling off-season. It will also create local jobs and strengthen Chopal as a horticulture hub.
2	Shimla	Social Infrastructure	Up-gradation and Improvement of road Batewari Kanchi to Deothi Alidhar road km. 0/0 to 11/970	1697.98	Sanctioned under RIDF XXXI in FY 2025-26, project when completed will reduce travel time, boost local trade and tourism. It will improve year round accessibility & promote economic & social progress of locals in the region.
3	Kangra	Water Resources	Lift Irrigation scheme from Right Bank of Shah Nehar Barrage on Rive Beas to various villages Malhanta, Samlet Thehar, etc of Fatehpur Constituency in Tehsil Fatehpur	7964.00	The project will benefit 68 villages with GCA of 5946.45 Ha and a CCA of 1996 Ha.

Sr. No.	District	Sector	Activity/ Description	Total Financial Outlay (TFO) (Rs. Lakh)	Likely impact/ Outcome
4	Kangra	Water Resources	Repair of Damaged portion of Shah Nehar (approx 400 m of aquaduct)	1000.00	After flooding of Beas river in 2023, approx. 400m of aqueduct of the Shah Nehar Canal was swept away. Due to this Mand area of Indora Block has been hit badly with nearly all the connecting canals running dry. Farmers in villages such as Barota, malkana, Gagwal, Basantpur, tyora, ratangarh, Meelwan, Dhamota, Mand, Sanor, etc do not have water supply for irrigation of their fields.
5	Kangra	Social Infrastructure	Providing Connectivity to Bara Bhargal	12000.00	Bara Bhargal Village is one of the remotest villages of the district. Though it is 80 Km away from Bir but it takes 3-4 days on foot due to absence of motorable road. The population of the village is approx. 160
6	Kangra	Social Infrastructure	C/O of Holi Uttrala Road	2500.00	Residents of Chamba and Kangra share cultural similarities and have to travel 300 km to meet each other. C/o of Holi Uttrala Road via Jalsu will shorten the distance to 70 Km. The 32 Km long Holi Uttrala path in Distt. Kangra was envisaged 40 years back and has to be developed in 3 parts. Part 3 (19 Km to 32 Km) is yet to be planned. Construction of part-3 is critical to ensure connectivity to the region. This will also boost tourism in the district.

Sr. No.	District	Sector	Activity/ Description	Total Financial Outlay (TFO) (Rs. Lakh)	Likely impact/ Outcome
7	Kangra	Agriculture Infrastructure	Expansion of Jassur Sabzi Mandi	50.00	The Sabzi Mandi of jassur is about 40 years old and is now falling short to accommodate the daily sales transaction. Of all the vehicles that arrive in the sabzi mandi only 10% vehicles can load/unload their produce in the mandi, remaining 90% have to wait on the National Highway for their turn which results in wastage of food. The problem aggravates in the months of June-July when Mango arrives in the mandi and traders from Punjab and other northern states flock to Jassur Mandi.
8	Kangra	Fisheries	Restoration of Raja ka Talab	65.00	Encroachment on the pond has decreased the area from 84 kanal to 55 kanal. Most of the pond is covered with bushes instead of water. Traditionally, locals used the leaves growing in the pond as plates for serving dham. Development of the pond shall boost tourism as well as fisheries.
9	Mandi	Social Infrastructure	Construction /upgradation of Bridge at Koon ka Tar, Jogindernagar connecting three constituencies	200.00	Construction of RCC bridge and upgradation of existing bridge will benefit the population of Kotli, Jogindernagar and Dharampur area of Mandi district.

Sr. No.	District	Sector	Activity/ Description	Total Financial Outlay (TFO) (Rs. Lakh)	Likely impact/ Outcome
10	Chamba	Agriculture Infrastructure	CA Storage with Packaging and Grading facility at Chamba for Apple	200.00	CA storage with packing and grading will boost apple shelf life, reduce wastage, ensure quality, enhance farmer income, and expand market reach sustainably.
11	Chamba	Social Infrastructure	C/O of Holi Utrala Road	1700.00	The Holi-Utrala road will ease the Manimahesh Yatra, support Gaddi pastoralists, provide year-round access to Bara Bhagal, boost tourism, and strengthen socio-economic ties between Bharmour and Kangra.
12	Kinnaur	Social Infrastructure	Improvement and pucca road construction incl. M/T of Nichar to Wangtoo link road Km. 0/0 to 4/240. financed under RIDF XXIV.	250.00	The Nichar to Wangtoo link road was constructed under RIDF XXIV in 2018-19 and involved creation of road passage with retaining wall and breast walls etc. The road is kutcha and restricts the movement of people and transportation specially in the rainy season. The metalling and tarring of the road will ensure all weather sustainable link connectivity to the area.
13	Kinnaur	Water Resources	Flow Irrigation scheme connecting the permanent stream between Meeru and Yula and Chuling village.	150.00	There is inadequate availability of water for crops grown in Meeru area, specially the Chuling village. An approx. 3 km FIS scheme connecting the stream with village Chuling is likely to benefit around 100 households covering 2 wards.

Sr. No.	District	Sector	Activity/ Description	Total Financial Outlay (TFO) (Rs. Lakh)	Likely impact/ Outcome
14	Hamirpur	Land Development	Watershed Projects	500.00	Watershed projects in the Bamson block of Hamirpur district are critically required for managing the region's highly erosion-prone sandy loam soils and addressing acute water scarcity during the summer months.
15	Solan	Social Infrastructure	Upgradation / Strengthening of Mamligh Domehar road	1000.00	Road to provide improved connectivity to the population of the region alongwith ease of transportation for agriculture and horticulture produce.
16	Solan	Social Infrastructure	Upgradation / Strengthening of Lagdaghat to Son road	300.00	Road would provide all weather connectivity.
17	Una	Social Infrastructure	Setting up of Gosadan	300.00	Setting up of Gosadan for stray animals will facilitate in improvement of production & productivity of crops. Also extension of existing Gosadans will be useful as the number of stray animals has increased.
18	Una	Social Infrastructure	Construction of all weather road from upper Jala Kudi to Mawa Sindhian	1000.00	The all-weather road from Upper Jala Kudi to Mawa Sindhian will improve connectivity of the villages with the Gagret Block headquarters and facilitate access to essential district-level amenities such as schools and hospitals. It will also support post-harvest marketing and better management of agricultural produce by enabling easier transport to markets and collection points.

## Annexure IV

### Critical Interventions Required for Creating a Definitive Impact

#### 1. Export Credit

Sr. No.	District	Critical Interventions Required
1	Shimla	Set up an export-oriented horticulture cluster with grading and packaging facilities, linked to an Export Facilitation Cell under DIC to help producers meet global standards and access export credit—critical as Shimla has no major industrial units.
2	Chamba	Chamba district has a wealth of agri-products, handloom items, GI-tagged products, and processed goods that hold significant export potential. However, currently, there are no industrial units in the district engaged in exporting these products.
3	Sirmaur	There is need to open forex branches in industrial centres of Paonta Sahib and Kala Amb.
4	Hamirpur	The quality and quantity of agro and horticulture produce such as ginger, garlic, honey, medicinal plants etc. needs to be enhanced to make way for exports from the Hamirpur district.
5	Solan	The District Industries Centre should actively promote the Market Access Initiative (MAI) and National Export Insurance Account schemes to support export promotion, ensuring these schemes are accessible to local entrepreneurs for their benefit.
6	Una	Pre shipment & Post shipment Credit: Expand bank financing for raw material procurement, packaging, and shipment cycles. Ensure availability of packing credit in foreign currency (PCFC) to competitive exporters.

#### 2. Housing

Sr. No.	District	Critical Interventions Required
1	Shimla	Organize housing loan fairs to raise awareness, promote sustainable construction suited to fragile ecosystems, and increase insurance coverage for housing projects.
2	Chamba	Banks should organize special loan fairs to raise awareness among the public about home loans and the required documentation. These fairs can serve as interactive platforms where potential borrowers receive detailed guidance on different home loan schemes, eligibility criteria, interest rates, repayment options, and necessary paperwork.

	District	Critical Interventions Required
3	Mandi	Banks may organize special loan fairs to create awareness among people about home loans and documentation.
4	Hamirpur	Banks may organise special loan fairs in city centres/ rural areas to make people aware of various schemes, interest rates on home loans, documentation part, etc. Group housing cooperative societies should be encouraged for better and planned construction models.
5	Solan	The state government should implement an online approval system for construction of houses.
6	Una	Rental & Migrant Housing: Explore credit support for rental housing complexes for workers in the industrial corridor (Tahliwal and Gagret).

### 3. Agri. Ancillary Activities: Others

Sr. No.	District	Critical Interventions Required
1	Shimla	Convert existing agricultural cooperative societies, which primarily handle PDS, into multi-service cooperatives. The Registrar of Cooperative Societies (RCS) should guide PACS to adopt suitable diversification models for marketing agricultural produce, in alignment with Ministry of Cooperation (MoC), GoI.
2	Chamba	In Chamba district, there are 145 Primary Agricultural Cooperative Societies (PACS), most of which primarily handle Public Distribution System (PDS) operations. The Cooperative Department should encourage and incentivize these PACS to transform into multipurpose cooperative societies. The department should also facilitate PACS in accessing financial resources, provide technical guidance, and support capacity building, enabling them to offer a broader range of services and benefits to their members.
3	Mandi	Proper and timely guidance to the farmers in cultivation and marketing of farm produce is the need of the hour. Banks need to provide loans to the FPOs for expansion activities.
4	Hamirpur	The government should plan more extension services for the agriculture and animal husbandry sector, particularly mobile extension services which may include mobile laboratories, soil testing, mobile dispensaries, quality testing etc. There is a need for awareness about AC&ABC scheme that holds lucrative subsidies and can help in the employment of youths from agricultural backgrounds.
5	Solan	The district's 174 primary agricultural cooperative societies should be transformed into multi-service cooperatives to better serve farmers' diverse needs.

	District	Critical Interventions Required
6	Solan	Agricultural extension services are mostly government-run but setting up Agri-clinics and Agri-businesses can improve local access to specialized support and boost the reach of government schemes for farmers.
7	Una	Encourage banks to offer loan facilities to agricultural graduates for establishing agricultural clinics and agribusiness centers.

#### 4. Agriculture Infrastructure: Others

Sr. No.	District	Critical Interventions Required
1	Shimla	Generate awareness on sustainable farming and promote organic practices wherever feasible. Encourage projects similar to NABARD's JIVA initiative to support natural farming.
2	Chamba	The use of chemical fertilizers is low in Chamba, creating an opportunity to promote natural and organic farming practices. To achieve this, farmers should be sensitized and trained by the Krishi Vigyan Kendras (KVKs) and the Agriculture Department on techniques and benefits of natural farming. Additionally, the state government may formulate special subsidy schemes to encourage the adoption of natural and organic farming practices, thereby improving soil health and sustainable agricultural productivity
3	Kinnaur	The district is characterized by steep, terraced slopes, which makes traditional irrigation difficult and labor-intensive. Drip and sprinkler systems are a direct solution to this topographic challenge. The drip irrigation needs to be promoted in the district in a more expansive way for wider adoption.
4	Hamirpur	Create a one-stop demonstration center in each block, preferably at a Krishi Vigyan Kendra (KVK) or a progressive farmer's field. These hubs would feature live, working models of vermicompost pits, bio-fertilizer and bio-pesticide production units (e.g., for Jeevamrutham, Neemastra), and agro-waste decomposition techniques. This provides a permanent, tangible resource for farmers to see, learn, and replicate.
5	Hamirpur	Identify and train a cohort of local, progressive farmers as "Master Trainers" in natural farming practices. These trainers can then conduct practical, on-farm workshops and field days for their peers within their own villages. This peer-to-peer learning model is often more effective and trustworthy than a top-down approach
6	Solan	The state government promotes natural farming, but there is a need to develop markets for natural farming products comparable to conventional ones to encourage more farmers to adopt this method.

	District	Critical Interventions Required
7	Una	Agri Biotechnology Units: Encourage microenterprises for biofertilizers, microbial cultures, and biopesticides. Finance startups for ecofriendly pest management inputs.

### 5. Education

Sr. No.	District	Critical Interventions Required
1	Chamba	There is a need to enhance awareness among senior secondary students and their parents regarding education loan facilities and credit guarantee schemes offered by banks. To achieve this, bank branches should organize awareness camps at schools within their service areas. These camps will provide crucial information and guidance, enabling students and their families to understand and access the financial support available for higher education.
2	Mandi	Need to promote subsidy schemes like Dr. YS Parmar Vidyarthi Rin Yojna launched by GoHP.
3	Sirmaur	There is a need to increase awareness among senior secondary students and their parents about the education loan facilities and credit guarantee schemes offered through banks.
4	Sirmaur	Banks should set up loan fairs in collaboration with higher educational institutions like IIM Sirmaur, Eternal University etc.
5	Hamirpur	Banks can collaborate with technical and professional education institutions to arrange for cheaper loans for new students. Banks can run awareness campaigns on available education loan schemes, and loan fairs, especially outside the institutions and during the results/ admission period to enhance credit offtake.
6	Solan	There is a need to boost public-private partnerships in education to equip youth with skills aligned to industrial sector standards.
7	Una	Increased access to credit for ITI students, polytechnic courses, vocational diplomas, especially those aligned to local MSMEs. Support private training centres with loans for infrastructure and modern equipment.

### 6. Social Infrastructure

Sr. No.	District	Critical Interventions Required
1	Shimla	Promote Public-Private Partnerships (PPP) to mobilize financing for critical social infrastructure, including education, healthcare, drinking water, and sanitation.

	District	Critical Interventions Required
2	Chamba	The government should create an enabling environment for private investment by facilitating bank loans, necessary licenses and other necessities for the construction of essential social infrastructure.
3	Mandi	There is lack of transport facility for remote villages in the district, mainly due to lack of buses with the transport corporation. The government may seek assistance from NABARD under NIDA to increase transport facilities.
4	Kinnaur	Kinnaur district, being highly vulnerable to landslides and where road accidents are very frequent, a trauma care centre facility needs to be built at Reckong peo to cater to the emergency patients within the Golden hour.
5	Kinnaur	During monsoon which coincides with the apple harvest season in the district, the NH-5 connectivity is cutoff at Nathapa and Nigulsari points. The alternate route and means of transportation of crops is required to be developed expeditiously.
6	Hamirpur	Primary Health Centres (PHCs) and the ambulances may be equipped with the latest technology and portable equipment.
7	Solan	All training institutions in the district should be modernized to enhance the employability of their students.

### 7. Construction of Storage and Marketing Infrastructure

Sr. No.	District	Critical Interventions Required
1	Shimla	Enable rural entrepreneurs, Farmer Producer Organizations (FPOs), and PACS to expand storage capacity by constructing rural warehouses under the Agriculture Infrastructure Fund (AIF).
2	Shimla	Encourage Public-Private Partnerships (PPP) for developing cold storage infrastructure, with government support through land allotment, subsidies, or tax incentives.
3	Chamba	Chamba district being an emerging and significant contributor to apple production, it is noteworthy that no storage infrastructure for apples exists within the district. This absence compels farmers to either sell their produce immediately at lower prices or transport it to distant storage facilities, thereby increasing costs and reducing profitability. Hence, there is need to construct a cold storage facility in the district.
4	Chamba	The PACS and FPOs may be sensitized by government agencies and banks about various Government schemes, such as the Agriculture Infrastructure Fund (AIF) and the Agricultural Marketing Infrastructure (AMI) Scheme, which provide financial assistance and incentives for the creation of storage and market related facilities.

	District	Critical Interventions Required
5	Kinnaur	Considering the limited bargaining power of apple orchardists during harvest season from September to October, there is need to establish 10-15 cold stores of 10-20 MT each in and around Kalpa and Nichar areas to avoid the glut in the market. The cold stores are preferred as the CA stores normally have bigger chambers which require several small borrowers to pool their produce to fill one chamber. As the existing space in CA store at Reckong Peo remains unutilized, the smaller cold stores are preferred.
6	Hamirpur	Small capacity storage godowns, 500MT-1000MT or cold stores from 250MT can be encouraged.
7	Solan	Banks should establish a warehouse receipt system linked with storage warehouses, enabling farmers to obtain loans promptly after harvesting their crops. This will improve farmers' access to credit and reduce the need for distress sales.
8	Una	Pack Houses & Grading Units: Small loans for grading, sorting, and pre cooling units near Una town and Santokhgarh market yard. FPO run facilities to reduce per unit costs.

## 8. Water Resources

Sr. No.	District	Critical Interventions Required
1	Shimla	Restore and maintain traditional irrigation channels (Kuhls) through regular desilting and embankment repairs while promoting water-efficient crops, crop rotation and drought-resistant varieties to reduce water demand.
2	Chamba	A major challenge in the district is the heavy dependence of farmers on rainfed agriculture which leads to uncertain yields and low cropping intensity. There is an urgent need to strengthen irrigation facilities by creating water harvesting structures, check dams and small lift irrigation schemes. Promotion of micro irrigation systems such as drip and sprinklers is also essential to ensure efficient use of water in the hilly terrain. Access to affordable credit along with subsidy support will enable farmers to invest in this irrigation solution.
3	Mandi	There is a need to increase participation of villagers in the implementation of irrigation schemes. For which awareness is needed among the people.
4	Sirmaur	Rainwater harvesting must be ensured to promote agriculture and water conservation
5	Sirmaur	There is a need to emphasize proper water management practices such as drip irrigation, sprinkler systems and rain gun systems. Setting up demonstration farms for these practices is necessary. The use of micro-irrigation methods and sprinkler irrigation systems will aid in water conservation.

	District	Critical Interventions Required
6	Hamirpur	Due to the scarcity of water for irrigation purposes, there is a need to motivate the farmers to adopt water-saving techniques such as drip and sprinkler systems. The Agriculture Department and KVK can be involved in campaigns and workshops through demonstration models.
7	Solan	Construct water harvesting structures such as check dams and farm ponds on perennial rivers and streams in the district to enhance water availability, support irrigation, and promote sustainable agriculture. Promotion of solar pump sets/ solar lift irrigation schemes
8	Una	Credit cum subsidy support for renovation of kuhl and check dams to stabilize cropping intensity. PACS/FPO led irrigation assets for collective use.

### 9. Animal Husbandry – Sheep, Goat, Piggery

Sr. No.	District	Critical Interventions Required
1	Shimla	Ensure availability of high-yield breeds while supporting conservation and genetic improvement of indigenous breeds adapted to local conditions.
2	Shimla	Implement regular vaccination and deworming schedules to control major diseases such as PPR and FMD, safeguarding livestock health and productivity.
3	Chamba	Sheep rearers should be provided training on scientific practices for shearing, wool cleaning, and related activities to improve the quality and marketability of wool.
4	Mandi	Productivity and quality can be increased by rearing sheep/goat/pig through scientific methods, for which there is a need to impart technical training and awareness to the farmers.
5	Kinnaur	During winters in the district, sheep farmers move to warmer and plain areas like Sirmour and return to alpine ranges of Kinnaur for grazing as soon as summer starts. Given the scattered settlements and difficult terrain, establishing mobile veterinary units equipped with basic diagnostic tools and medicines for frequent disease like Foot and Mouth Disease (FMD) in cattle and Pestes des Petits Ruminants (PPR) in sheep and goats is crucial.
6	Hamirpur	Flexibility in the banking credit system is required to support Gaddis for loaning facilities
7	Solan	An organized market for sheep, goat, and pig products should be established in the district to improve marketing, ensure fair prices, and support livestock farmers.

	District	Critical Interventions Required
8	Solan	The Animal Husbandry Department should supply high-quality livestock and make superior germplasm for sheep, goats, and pigs accessible to farmers to enhance productivity and outcomes.
9	Una	Piggery - Tie ups with processors in Punjab/HP periurban markets; small coldchain (insulated boxes, chillers) via AHIDF/AIF convergence

### 10. Food and Agro. Processing

Sr. No.	District	Critical Interventions Required
1	Shimla	Setting up small and medium-sized processing units for key local products such as apples, potatoes, and vegetables—covering juice extraction, potato chips, and dairy processing—supplemented by quality control labs to ensure compliance with safety standards.
2	Chamba	Banks should provide financial assistance to FPOs, PACS and SHGs for establishing apple, paddy, milk, and honey processing units in Chamba. This will help add value to produce, reduce postharvest losses, and increase farmer incomes. The District Industries Center (DIC), Khadi and Village Industries Board (KVIB), and Horticulture Department can provide technical guidance, training, and handholding support, while banks can facilitate financing under schemes like the Agriculture Infrastructure Fund (AIF) and PMFME.
3	Mandi	SHG may be provided training on food processing to provide them opportunity to earn livelihood working from their home.
4	Kinnaur	Himachali Chuli Oil, also known as wild apricot oil is widely produced in the district and has been granted GI tag. However, its potential as an economic activity remains underutilized. Considering its immense medicinal properties and premium pricing, there is a need to organize, standardize, process and create a brand for Kinnauri chuli oil. The SHG and FPO networks need to be sensitized and trained in oil extraction with increased focus on branding and marketing of the chuli oil.
5	Sirmaur	Private investment is required in agro and food processing industries. There is need to popularize AIF and PMFME schemes in the district. District Industries Center, Agriculture Department and Horticulture department has a major role to play in this matter.
6	Hamirpur	Establishing Common Facility Centers (CFCs) in key production clusters such as Nadaun Block can give small entrepreneurs or farmers an access to modern machinery for processing and packaging.

	District	Critical Interventions Required
7	Bilaspur	HPSHIVA Project is being implemented in the district. Ghumarwin and Jhandutta blocks have the highest number of clusters under the project. Common Facility Centres (CFCs) may be established in these areas to help both farmers and agricultural entrepreneurs access modern machinery for storage, packaging, processing and marketing of produce.
8	Solan	Cluster level federations/ village organisations formed under NRLM scheme needs to be trained to take up food processing activities specifically in produce such as tomato, mushroom, local pomegranate etc.
9	Una	Solar Dryer & Packing Machines: Finance micro units for solar dryers for fruits, vegetables, and spices. Integrated with vacuum packaging/sealing machines for shelf-life extension. Ideal for SHGs and women entrepreneurs under NRLM/PMFME.

#### 11. Forestry/ Waste Land Development

Sr. No.	District	Critical Interventions Required
1	Shimla	Implement reforestation programs in degraded forest areas caused by over-exploitation and fires, using mixed-species plantations to enhance biodiversity and ecosystem resilience.
2	Chamba	Farmers and forest dependent communities should be supported to expand cultivation of Medicinal and Aromatic Plants (MAPs) in forest and wasteland areas.
3	Mandi	Farmers may be encouraged for cultivation of medicinal crops on barren land.
4	Kinnaur	As per NITI Aayog's estimates, an area of approximately 300 sqkm can be used for agroforestry in the district. The forest department may undertake agroforestry in the identified areas.
5	Sirmaur	Farm forestry and agroforestry models should be promoted in the district.
6	Hamirpur	NGOs/ SHGs/ Farmers Groups/ Educational institutions etc. may be encouraged for plantation drives on wastelands. Plantations can be done for fodder, fuelwood etc.
7	Solan	Agroforestry initiatives should be promoted to integrate trees with crops and livestock farming, enhancing farm productivity while increasing forest cover.
8	Solan	Carbon sequestration projects like reforestation should be promoted, linking them to carbon credit markets to provide financial incentives for forest conservation.

	District	Critical Interventions Required
9	Una	Community Based Models: Encourage JFMCs (Joint Forest Management Committees) and FPOs to access credit for nursery raising, plantation, and marketing of NTFPs (non-timber forest products).

## 12. Land Development, Soil Conservation and Watershed Development

Sr. No.	District	Critical Interventions Required
1	Shimla	Promote construction of terraces on hilly slopes to create flat areas for cultivation, reduce soil erosion, and improve water retention, making farming more manageable and productive.
2	Shimla	Encourage regular soil testing to identify nutrient deficiencies and recommend appropriate soil amendments for improved crop health and yield.
3	Chamba	Banks should provide adequate financial support to farmers for land development, soil conservation and watershed development.
4	Mandi	The work of soil conservation and watershed development in the district is being done by government. Farmers may be encouraged to participate in these activities individually or collectively.
5	Sirmaur	Keeping in view the geographical structure of the district and land degradation more water and soil conservation financing to the private sector should be implemented.
6	Sirmaur	Currently, only HPSCARDB is financing major projects related to land and soil development. Other Banks should also come out with term loan products for the same.
7	Hamirpur	The most critical infrastructure is the extensive development of watershed management structures across the district's catchment areas. This includes constructing a dense network of contour trenches, stone bunds, and check dams on slopes and in seasonal streams (khads). This infrastructure is fundamental to reducing rainwater runoff, preventing soil erosion, and promoting groundwater recharge, which are the primary challenges of land development in the hilly terrain.
8	Solan	Departments should prioritize watershed management to mitigate the impacts of soil erosion and climate change in the region.
9	Una	Soil Health & Fertility Management: Promote soil testing labs, compost pits, vermi compost units with small ticket loans. Encourage precision farming with support for laser land levelers.

	<b>District</b>	<b>Critical Interventions Required</b>
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**13. Fisheries**

Sr. No.	District	Critical Interventions Required
1	Shimla	Ensure timely supply of high-quality fish feed in adequate quantities to support healthy aquaculture.
2	Shimla	Develop proper marketing channels for fish sales and provide training and extension services to enhance farmer skills and productivity.
3	Chamba	The Fisheries Department should ensure the timely supply of adequate fish seeds to farmers. Entrepreneurs should also be provided with necessary training and infrastructure facilities to promote fish farming.
4	Chamba	There is significant potential for trout fish farming in Bharmour block. Youths should be encouraged to take up fish farming as an enterprise. Various government schemes are available for developing the necessary infrastructure, and these schemes should be effectively implemented to promote the activity.
5	Kinnaur	The only trout farm in the district has 19 raceways but limited water availability from the Hubra Khad of Baspa River which poses challenge of full utilization of existing raceways. Additional source of water needs to be developed by exploring nearby khads of Baspa river for using the raceways by Fisheries Department.
6	Sirmaur	Dept. of fisheries may train entrepreneurs in preparing project proposals for trout fishing in Nohradhar Region of the district.
7	Hamirpur	Provide financial and technical support for the construction of new small scale backyard fish ponds and the renovation of existing ponds near the traditional kuhls, perennial water sources or water harvesting tanks.
8	Bilaspur	Enable the cooperatives to own and manage their own post-harvest infrastructure, from ice plants to transport, turning them into self-reliant business entities. Provide intensive training to cooperative societies in business management, finance, and marketing for viability and sustainability.
9	Solan	The Fisheries Department should launch attractive subsidy schemes for fish farmers, comparable to those available in animal husbandry and horticulture. Additionally, promoting bank loans through Kisan Credit Cards for fisheries can improve access to affordable credit and boost sector growth.

	District	Critical Interventions Required
10	Una	Introduce cage culture in Govind sagar backwaters (Bangana & Gagret) and Swan River stretches (Una & Haroli) to promote intensive aquaculture. Tentative target: 60 to 80 cages (each 4 X 4 m) distributed among 40- 50 beneficiaries. Provide credit for cages, nets, feed supply, seed stocking, and floating feed storage pontoons. Coordinate with State Fisheries Department & existing FPOs for training and maintenance. Likely benefit: annual fish production of approximately 150 tonnes with employment to 150 -200 fish farmers.

#### 14. Informal Credit Delivery System

Sr. No.	District	Critical Interventions Required
1	Shimla	Promote microcredit financing under banking schemes through Self-Help Groups (SHGs) and Joint Liability Groups (JLGs) to strengthen informal credit delivery.
2	Shimla	Revive dormant groups and make them bankable by providing capacity-building support and linking them to formal financial institutions.
3	Chamba	Regular training programs and workshops are required for SHG and JLG members on financial literacy, entrepreneurship, digital banking, and recordkeeping to strengthen their operational efficiency.
4	Chamba	Promote the formation of new SHGs and JLGs in underserved areas of Chamba district and encourage diversification into income generating activities such as poultry, fishery, organic farming, and food processing.
5	Mandi	Some progressive groups are working on making bags, sweaters and socks and selling them in the local market. At the same time, some groups are engaged in animal husbandry, vegetable production and handicrafts. All these groups need to be financed by banks on easy terms.
6	Kinnaur	While the SHGs have well-grounded support structure under NRLM, the JLGs, which are smaller groups and are investment oriented with potential of entrepreneurial venture need to have access to easy credit in the district. The banks need to leverage the group lending potential of JLGs and extend credit smoothly to such institutions. This will enable the banks to create and expand the market for their credit extension.
7	Sirmaur	Incentives should be offered to SHGs to work as Business Correspondents (BCs) for sourcing loan applications for microloans.
8	Hamirpur	Efforts should be made for the linkage of SHGs with the banking system to enhance the credit uptake. SHGs and JLGs should be encouraged to enhance their activities by way of taking increased dosages of credit.

	District	Critical Interventions Required
9	Solan	SHGs/JLGs should be linked with government departments and marketing networks for sustainable growth, with Panchayats facilitating this process. Dormant groups need revitalization to become bankable. Members should be informed about income-enhancing schemes and provided training under NABARD's promotional programs when needed.
10	Una	Revive dormant SHGs by raising awareness about the importance of regular meetings, savings, and loan repayment.

### 15. Renewable Energy

Sr. No.	District	Critical Interventions Required
1	Shimla	Develop biomass energy projects utilizing agricultural residues, forest waste, and other organic materials to promote renewable energy and reduce dependency on conventional sources.
2	Chamba	Awareness campaigns and training programs should be conducted to educate local communities, businesses, and government officials about renewable energy technologies, their benefits, and how to adopt them for sustainable growth.
3	Chamba	There is need to educate people on solar rooftop to improve energy access especially in remote and tribal areas like Pangi and Bharmour. Linking with various GoI subsidies schemes, local training and awareness drives can boost adoption.
4	Mandi	There is abundant sunlight throughout the year in the district, hence solar energy can be exploited domestically and commercially. Due to lack of awareness in rural areas people are not using renewable energy sources.
5	Sirmaur	There is a need to explore the usage of wastelands/ Community lands for solar plants.
6	Sirmaur	There is potential for skilling of youth for Maintenance and supervision/ servicing/ repairs after installation of solar units. ITIS / RSETI should develop courses with a focus on this.
7	Hamirpur	The government can focus on the compulsory installation of solar rooftops on all government buildings.
8	Solan	Awareness campaigns are needed in urban and rural areas, including among bankers, to promote solar-powered household appliances, water heaters, and pump sets. Banks should consider linking these units to home construction loans as a mandatory component.

	District	Critical Interventions Required
9	Solan	Given the large livestock population in the district, self-help groups and PACS can promote non-traditional energy sources like biogas and support the establishment of biogas plants.
10	Una	To create an incubator or innovation hub to support startups focused on renewable energy solutions. Provide mentorship, funding, and networking opportunities for entrepreneurs in the renewable energy sector.

#### 16. Animal Husbandry – Poultry

Sr. No.	District	Critical Interventions Required
1	Shimla	Establishment of hatcheries within the district to supply day-old chicks locally, reducing dependence on external suppliers.
2	Shimla	Promote organic poultry practices using natural feed and medicines and encourage backyard poultry farming to enhance food security and provide additional income for farmers.
3	Chamba	Government support to micro entrepreneurs for the promotion of poultry enterprises should be strengthened. Banks and financial institutions should facilitate easy access to loans and credit to support these entrepreneurs in expanding their poultry businesses.
4	Kinnaur	The Poultry Extension Centre has been set up by the Animal Husbandry Deptt. at Reckong Peo. A significant challenge for farmers in Kinnaur is the difficulty and cost of transporting day-old chicks from distant hatcheries in the plains. The center in Reckong Peo should explore setting up a small-scale, local hatchery.
5	Sirmaur	In the district there is a need for comprehensive measures to ensure the availability of high-quality chicks and to establish hatcheries and poultry feed units.
6	Sirmaur	The Back Yard Poultry Scheme should be popularized through coverage of the members of Self Help Groups and SF/MF Farmers.
7	Hamirpur	Training and workshops for farmers by KVK/ AH Dept. through demonstration of poultry farms for providing practical training on scientific rearing, feed management, waste management, and disease prevention.
8	Solan	Promote the Kisan Credit Card (KCC) scheme specifically for animal husbandry, fisheries, and poultry farming to improve farmers' access to affordable credit for these sectors.
9	Solan	Farmers and women in self-help groups should be encouraged to take up backyard poultry farming, especially native chicken rearing, with easy access to all required inputs and materials.

	District	Critical Interventions Required
10	Solan	In the local market's egg and broiler demand exceeds local production, highlighting the need to strengthen extension and training services to boost poultry farming.
11	Una	Finance mini feed mixing units, feed storage, grinders/crumblers; promote solar/battery sprayers and small tools under mechanization renewables convergence where relevant (low ticket loans with quick payback).

### 17. Micro, Small and Medium Enterprises (MSME)

Sr. No.	District	Critical Interventions Required
1	Shimla	Establish MSME clusters through the District Industries Centre (DIC) with necessary infrastructure, including power supply, roads, and waste management facilities.
2	Shimla	Ensure access to essential utilities such as electricity, water, and internet, while promoting renewable energy solutions to address power shortages and reduce costs for MSMEs.
3	Chamba	The district is home to many unique crafts such as Chamba Chappal, Chamba Rumal, paintings, Thaal, and metal crafts. However, most craftsmen and artisans currently work individually. The Handloom and Handicraft Department should promote these crafts in cluster mode to facilitate financial support, market access, and availability of raw materials, enabling artisans to scale up production, improve income, and sustain traditional crafts.
4	Chamba	There is a need to actively promote central and state government schemes such as PMEGP, PMKVY, Skill India, Startup India, MUDRA, Standup India. Banks should play a pivotal role in facilitating easy and timely credit access to eligible individuals under these schemes, enabling entrepreneurship, skill development, and financial inclusion.
5	Mandi	There is a need to organize capacity building programs focusing on hospitality services to unlock the potential under this sector.
6	Sirmaur	Banks should consider opening specialized branches dedicated to catering the unique needs of MSMEs.
7	Sirmaur	Promote cluster-level common facility centres in the major industrial clusters, Paonta Sahib and Kala Amb.
8	Hamirpur	Industrial parks housing Common Facility Centres (CFC) may be planned on the Shimla-Kangra national highway, to help local manufacturers benefit from the shared infrastructure.

	District	Critical Interventions Required
9	Bilaspur	Bilaspur district is well connected with four lane national highways. Industrial parks or MSME clusters may be planned to help local manufacturers benefit from the infrastructure. Clusters may also house a Common Facility Centre (CFC) with shared machinery for light engineering, food processing, or IT services, drastically reducing the initial capital expenditure for new entrepreneurs.
10	Solan	Currently, raw materials for processing units come from Punjab, but there's potential for local farmers to supply raw materials for products like pickles, jams, chips, juices, and bread.
11	Solan	Amendment in Section 118 of the Himachal Pradesh Tenancy and Land Reform Act, 1972, to speed up the land leasing process for entrepreneurs.
12	Una	Linkages with Schemes & Guarantees: Ensure credit linkage with CGTMSE, PM Vishwakarma Yojana, and PMEGP. Encourage banks to extend collateral-free loans and reduce risk perception.

#### 18. Animal Husbandry - Dairy

Sr. No.	District	Critical Interventions Required
1	Shimla	Promote crossbreeding of local cattle with high-yielding exotic breeds such as Jersey, ensuring adaptability to local climatic conditions for improved milk production.
2	Shimla	Strengthen artificial insemination (AI) infrastructure by ensuring availability of high-quality semen, training local AI technicians, and providing mobile AI services to enhance breeding coverage.
3	Chamba	The formation of dairy cooperative societies across the district is essential to strengthen the dairy sector. These cooperatives can set up large scale milk processing units and be mobilized into Farmer Producer Organizations (FPOs) to promote collective marketing, value addition, and improved efficiency in milk production and distribution.
4	Chamba	Many animal husbandry farmers in the district are unaware of the Kisan Credit Card for Animal Husbandry (KCCAH) scheme. To address this, banks should organize awareness camps across the district to educate farmers about the scheme, its benefits, and the application process.
5	Mandi	To collect the surplus milk from un-organised sector, maximum use may be made of mobile vans, bulk milk coolers, milk collection centres, etc. For this, formation of farmer producer organizations is an effective step.

		District	Critical Interventions Required
6	Kinnaur		There are at least 10 groups of milk suppliers in the district that including the remote areas like Chango. These groups are engaged in supply of milk to HIMFED. These groups need to be immediately consolidated into dairy societies to formalize their existence for strengthening supply chain, access to credit and prospect of livelihood of the associated milk producers.
7	Sirmaur		In view of shortage of good breed cows in the district. Animal Husbandry Department can make efforts to ensure availability of high-quality breed animals at the district level. Animal Husbandry Department may train rural youth in setting up a breeding unit.
8	Sirmaur		Generally, fodder is brought from neighbouring states of Punjab and Haryana. There is a need to set up a fodder processing unit in the district to overcome the shortage of dry fodder; there is a need to establish a green fodder bank in the district.
9	Hamirpur		Promote the cultivation of high-yield fodder grasses and legumes on terrace bunds and unused land. Establish fodder banks, subsidised silage-making units and feed blocks to ensure year-round availability of nutritious feed.
10	Hamirpur		Set up Bulk Milk Coolers (BMCs) at Cooperative Societies or other strategic cluster locations. This is crucial for chilling milk immediately after collection, preserving its quality, reducing spoilage, and enabling farmers to get better prices.
11	Hamirpur		Encourage the use of cow dung and slurry to produce high-quality organic manure (vermicompost) for farming or to fuel biogas plants. This creates a supplementary income stream from selling compost or saving on cooking fuel/electricity and promotes a circular economy on the farm. The same can also be implemented on a cluster approach.
12	Solan		To ensure availability of high-quality livestock, establishing dedicated livestock markets and breeding centers is essential.
13	Una		Veterinary Infrastructure: Credit for mobile veterinary vans, diagnostic labs, and AI centres to support livestock health. Expand dairy cooperative linkages under HP Milkfed.

### 19. Farm Credit

Sr. No.	District	Critical Interventions Required
		<b>Critical Interventions Required</b>
1	Shimla	Partnering with local agriculture departments and institutions to share data on crop patterns, farmer profiles and other relevant information that can support banks in risk assessment and credit appraisal.
3	Chamba	There is a need to strengthen extension services in the district so that farmers receive timely guidance, technical advice, and solutions to the problems they face in agriculture and allied activities. There is also a need to popularise the Agri Clinic and Agri Business Centre (ACABC) schemes in the district to encourage trained agricultural graduates and rural youth to take up agribusiness ventures. These centres can provide professional extension services, custom hiring of farm machinery, input supply, and advisory support to farmers.
4	Kinnaur	The district's economy is reliant on a single crop i.e. apple. This makes the district economy and farmers' livelihoods extremely vulnerable to climatic shifts, pests, and market volatility. KVK Kinnaur needs to recommend suitable high value crops for diversification.
5	Sirmaur	As per the available data total operational landholdings are 51815 and PMKISAN beneficiaries 52903 out of which total KCC issued are 32431 (as on 31.03.2025). Kisan Credit Card needs to be issued to all remaining eligible and willing farmers.
6	Solan	Risk mitigation mechanisms like crop insurance and weather-based insurance should be promoted to protect farmers from income losses due to natural disasters. This will reduce loan defaults and enhance farmers' creditworthiness.
7	Una	Promote term lending for farm mechanization, irrigation, horticulture, and allied activities in Una. Leverage schemes like AIF to reduce cost of capital. Strengthen bank-FPO linkages and conduct financial literacy camps to improve demand and absorption of investment credit.

### 20. Farm Mechanisation

Sr. No.	District	Critical Interventions Required
		<b>Critical Interventions Required</b>
2	Shimla	Collaborate with agricultural universities and research institutions to develop and promote technologies and machinery suited to district specific farming conditions. Support local innovators and small-scale manufacturers in creating low-cost, region-specific farm equipment through grants and technical assistance. Additionally, PACS can evolve into by offering farm machinery on rental basis to farmers.

	District	Critical Interventions Required
3	Chamba	Custom hiring of farm machinery needs to be suitably organised and popularized. PACS, FPO and other state agencies may be encouraged to establish farm machinery banks.
4	Mandi	Loans should be provided to self-help groups/joint liability groups for the purchase of tractors and all types of other agricultural equipment. PACS can also become a MSC and give agricultural implements on rental basis to farmers.
5	Kinnaur	The Agriculture Department should open CHC at the block level which will provide agricultural equipment to the farmers. Alternatively, establishing Farm Machinery Banks at Panchayat level will boost the use of agricultural implements in farming activity.
6	Sirmaur	Considering the land availability and high number of small and marginal farmers SHGs /FPOs should be encouraged to open custom hiring centres for farm equipment training should be provided for repairing such implements.
7	Hamirpur	Establishment of demonstration farms to showcase the latest machinery and technology by KVK/ Agri. Dept. It will encourage farmers for using the latest high-tech tools and equipment rather than traditional methods.
8	Solan	Promotion of Primary Agricultural Credit Societies (PACS) as multiservice centers can facilitate the custom hiring of agricultural equipment, making machinery more accessible and affordable for farmers.
9	Solan	Long-term investments are crucial to build proper agricultural infrastructure. To lower costs, farmers should be encouraged to adopt collective farming. The government can support this by providing machinery at the Panchayat level for custom hiring at affordable rates.
10	Una	Promotion of credit for solar based agricultural equipment such as solar dryers, solar chaff cutters, and battery-operated sprayers to encourage eco-friendly mechanisation.

## 21. Plantation and Horticulture

Sr. No.	District	Critical Interventions Required
2	Shimla	Promote adoption of high-yielding, climate-resilient fruit varieties with better shelf life, disease resistance, and market demand. Develop cold storage facilities, pack houses, and refrigerated transport networks.

		Critical Interventions Required
	District	
3	Chamba	In the district, significant postharvest losses of apple occur due to inadequate grading, packaging, and storage facilities, reducing farmers' income. To address this, decentralized grading, packaging, and cold storage units should be established, along with fruit processing units for juices, jams, and dried products to add value and increase farmers' earnings.
4	Mandi	There is a scope for cultivation of exotic vegetables and farmers need special training and technology transfer for cultivation of these vegetables.
5	Kinnaur	In line with the thrust laid on natural farming by the State Govt., the FPO ecosystem and the PACS must be utilized along with the cluster-based Bio Input Resource Centres (BIRC) for the supply of natural farming bio-inputs as envisaged under the National Mission on Natural Farming.
6	Sirmaur	The state government to take effective steps to improve the marketing system for fruit and flower production ensuring that horticulturists receive fair prices for their products. Collaborating with major agri-retail companies is necessary for this purpose.
7	Sirmaur	Efforts should be made to establish more private nurseries to ensure a timely supply of plants.
8	Sirmaur	The expansion of government funding schemes for the production of exotic vegetables in the district is possible provided specialized training and technology transfer are given due attention.
9	Hamirpur	Cluster based approach should be promoted on large scale to reap the maximum output and income benefits for small and marginal farmers
10	Solan	The district has strong potential for commercial flower cultivation. The Horticulture Department should provide essential support services such as quality planting material, training, cold chain infrastructure, processing, and marketing facilities to boost this sector.
11	Solan	There is a need to produce quality planting material in large quantities by establishing government and private nurseries. Additionally, promoting climate-resilient horticultural crops for sustainable agriculture.
12	Una	Promotion of credit for pack houses, grading units, and cold stores near Una town and Gagret. Support FPOs for aggregation and reefer vans. Leverage the Agriculture Infrastructure Fund (AIF) for 3% interest subvention and credit guarantee, enabling low-cost financing for post-harvest assets and improved market linkage.

## Abbreviations

Abbreviation	Expansion
ACABC	Agri-Clinics and Agri-Business Centre
ACP	Annual Credit Plan
AEZ	Agri Export Zone
AHIDF	Animal Husbandry Infrastructure Development Fund
AMIS	Agriculture Marketing Infrastructure Scheme
APEDA	Agriculture and Processed Food Products Export Development Authority
APMC	Agricultural Produce Market Committee
APY	Atal Pension Yojana
ATMA	Agricultural technology Management Agency
BC	Banking Correspondent
BGREI	Bringing Green Revolution to Eastern India
CBS	Core Banking Solution
CDF	Co-operative Development Fund
CISS	Capital Investment Subsidy Scheme
CRRI	Central Rice Research Institute
CSO	Civil Society Organisation
CWC	Central Warehousing Corporation
DAO	District Agricultural Officer
DAP	Development Action Plan
DBT	Direct Benefit Transfer
DCC	District Consultative Committee
DCCB	District Central Cooperative Bank
DCP	District Credit Plan
DIC	District Industries Centre
DLRC	District Level review Committee
DRDA	District Rural Development Agency
ECGC	Export Credit Guarantee Corporation
eNAM	Electronic National Agriculture Market
FC	Farmers Club
FFDA	Fish Farmers Development Agency
FI	Financial Inclusion
FIF	Financial Inclusion Fund
FIP	Financial Inclusion Plan
FLC	Financial Literacy Centre
FLCCC	Financial Literacy and Credit Counselling Centres
FPO	Farmer Producer Organisation
FSS	Farmers Service Society
GLC	Gound Level Credit
GoI	Government of India
GSDP	Gross State Domestic Product

Abbreviation	Expansion
HYV	High Yielding Variety
IAY	Indira Awas Yojana
ICAR	Indian Council for Agriculture Research
ICT	Information and Communication Technology
IoT	Internet of Things
ITDA	Integrated Tribal Development Agency
JLG	Joint Liability Group
JNNSM	Jawaharlal Nehru National Solar Mission
KCC	Kisan Credit Card
KSK	Krishi Sahayak Kendra
KVI	Khadi and Village Industries
KVK	Krishi Vigyan Kendra
LAC	Livestock Aid Centre
LAMPS	Large Area Multipurpose Society
LDM	Lead District Manager
LI	Lift Irrigation
MEDP	Micro Enterprises Development Programme
MF	Marginal Farmer
MI	Micro Irrigation
MIDH	Mission for Integrated Development of Horticulture
MNRE	Ministry of New and Renewable Energy
MNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
MoFPI	Ministry of Food Processing Industries
MPCS	Milk Producers Co-operative Society
MPEDA	Marine Products Export Development Authority
MUDRA	Micro Units Development & Refinance Agency Ltd.
NABARD	National Bank for Agriculture and Rural Development
NBFC	Non-Banking Financial Company
NFSM	National Food Security Mission
NGO	Non-Governmental Organization
NHM	National Horticulture Mission
NLM	National Livelihood Mission
NMFP	National Mission on Food Processing
NPBD	National Project on Bio-Gas Development
NRLM	National Rural Livelihood Mission
NWDPRA	National Watershed Development Project for Rainfed Areas
PACS	Primary Agricultural Cooperative Society
PAIS	Personal Accident Insurance Scheme
PHC	Primary Health Centre
PKVY	Paramparagat Krishi Vikas Yojana
PLP	Potential Linked Credit Plan

Abbreviation	Expansion
PMEGP	Prime Minister's Employment Generation Programme
PMFBY	Pradhan Mantri Fasal Bima Yojana
PMJDY	Pradhan Mantri Jan Dhan Yojana
PMJJBY	Pradhan Mantri Jeevan Jyoti Bima Yojana
PMKSY	Pradhan Mantri Krishi Sinchayee Yojana
PMSBY	Pradhan Mantri Suraksha Bima Yojana
PWCS	Primary Weavers Cooperative Society
RBI	Reserve Bank of India
RIDF	Rural Infrastructure Development Fund
RKVY	Rashtriya Krishi Vikash Yojana
RLTAP	Revised Long Term Action Plan
RNFS	Rural Non-Farm Sector
RRB	Regional Rural Bank
RSETI	Rural Self Employment Training Institute
RWHS	Rainwater Harvesting Structure
SAO	Seasonal Agricultural Operations
SAP	Service Area Plan
SBM	Swachha Bharat Mission
SCC	Swarojgar Credit Card
SCS	Service Cooperative Society
SHG	Self Help Group
SHPI	Self Help Promoting Institution
SLBC	State Level Bankers' Committee
SMPB	State Medicinal Plant Board
STCCS	Short Term Co-operative Credit Structure
TBO	Tree Borne Oil-seeds
TFO	Total Financial Outlay
WDF	Watershed Development Fund
WDRA	Warehousing Development and Regulatory Authority
WSHG	Women Self Help Group

**List of the District Development Managers of Himachal Pradesh**

Sr. No.	District	Designation	Name of the DDM	Mobile Number	E-Mail Address
1	Kullu	DDM, NABARD	Anita Devi	9599612663	kullu@nabard.org
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4	Sirmaur	DDM, NABARD	Bikramjit Singh	9662526135	sirmour@nabard.org
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6	Kangra	DDM, NABARD	Himanshu Sahu	7814948099	kangra@nabard.org
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11	Una	DDM NABARD	Sabrina Rajvanshi	9811576828	una@nabard.org
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## NABARD Consultancy Services Private Limited (NABCONS)

A wholly owned Subsidiary of NABARD

<b>OFFERS CONSULTANCY AND ADVISORY SERVICES</b> Pan India Presence with offices in 31 State/UTs	<ul style="list-style-type: none"> <li>Project Management Consultancy</li> <li>IT Based Natural Resources Information System</li> <li>Feasibility, Socio-economic &amp; Impact Evaluation Studies</li> <li>Third Party Monitoring</li> </ul>	<ul style="list-style-type: none"> <li>Climate Change &amp; Sustainability</li> <li>Value Chain Development</li> <li>Skill &amp; Livelihood Development</li> <li>Preparation Detailed Project Reports (DPRs)</li> <li>Transaction Advisory Services</li> </ul>
	<b>Registered Office:</b> NABARD, 3rd Floor, C Wing, Plot No. C-24, G-Block, BKC, Bandra (E), Mumbai – 400051 ☎: 022-26539419      ✉ : headoffice@nabcons.in <b>Corporate Office:</b> NABCONS, 7 <sup>th</sup> Floor, NABARD Tower, 24 Rajendra Place, New Delhi – 110125 ☎: 011-41538678/25745103      🌐 : www.nabcons.com	



## NABSanrakshan Trustee Private Limited

Building Trust for Rural Prosperity

- NABSanrakadhan, a wholly owned subsidiary of NABARD, offers Credit Guarantee against the credit offered by the Eligible Lending Institutions (ELIs), through the Trusts (Funds) under its Trusteeship.
- Two sovereign Credit Guarantee Schemes offered are:
  - Credit Guarantee Scheme for FPO Financing (CGSFPO) – provides credit guarantee for collateral free credit facility upto Rs. 2 crore to FPOs (including loans to FPOs under AIF)
  - Credit Guarantee Scheme for Animal Husbandry and Dairying (CGSAHD)- provides credit guarantee to MSMEs and Dairy Cooperatives
- More than 1500 FPOs provided credit guarantee till 31st March 2024, covering nearly 13.67 lakh farmers across 23 States
- Operations carried through Credit Guarantee Portal

**Registered Office** C- 24, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051

☎: 022- 2653-9243/ 9241 ✉ : ho@nabsanrakshan.org 🌐 : www.nabsanrakshan.org



## NABVENTURES LIMITED | A wholly owned Subsidiary of NABARD

- NABVENTURES Ltd. is incorporated as a public company registered under the Companies Act, 2013 in April 2018 to manage Alternative Investment funds(AIF), with a paid-up capital of INR 25 crore.
- NABVENTURES, Fund I scheme I is the maiden flagship venture equity fund of NABVENTURES Ltd with a corpus of INR 598 crore.
- As of 31 March 2024, NABVENTURES Fund I has invested in 14 startups related to the Agriculture, Rural, Food, and Finance sectors.
- NABVENTURES Ltd is also acting as an Investment Manager to AgriSURE Fund- 'Agri Fund for Start-Ups and Rural Enterprises', a SEBI-registered Cat-II AIF.
- Agri SURE Fund is set up to support innovative, technology-driven, high-risk, high-impact activities in agriculture and rural Start-ups ecosystem.
- The total corpus of AgriSURE Fund is ₹750 crore.

**Registered Office:** NABARD, 8th Floor, C Wing, Plot No. C-24, G Block, BKC, Bandra (East), Mumbai-400051

☎: 022-26539149 ✉ : nabventure@nabard.org 🌐 : www.nabventure.in



## NAB FOUNDATION

Leveraging the power of convergence

NABFOUNDATION is a wholly owned, not for profit, subsidiary of NABARD, established under Sec 8 of Companies Act, 2013. The organization draws its strength and experience from the thousands of development projects grounded by its parent body, NABARD, in multiple domains over nearly last four decades.

### WHAT DOES NABFOUNDATION WANT FROM YOU?

#### IF YOU ARE AN INDIVIDUAL

Reach out to us with your ideas about development projects which you believe need to be implemented. We really look forward to your fresh ideas.

#### IF YOU ARE A CSR UNIT

Of a corporate and believe that there is a scope for collaborating with us to have access to the vast network of resources of NABARD in a structured manner, just give us a call.

### IF YOU ARE A CIVIL SOCIETY ORGANIZATION/NGO

With an idea whose time you think has come and have not been able to find willing partners, reach out to us.

#### IF YOU ARE WITH THE GOVERNMENT

And believe that there is a need for reimagining implementation of your Central or State government projects, allow us to be a part of your vision.

**Registered Office:** NABARD, 4th Floor, E Wing, Plot No. C-24, G Block, BKC, Bandra (East), Mumbai-400051

☎: 022-26539404/9054 ✉ : nabfoundation@nabard.org 🌐 : www.nabfoundation.in





NATIONAL BANK FOR  
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